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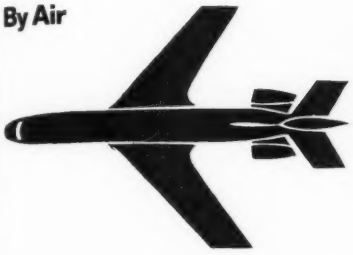

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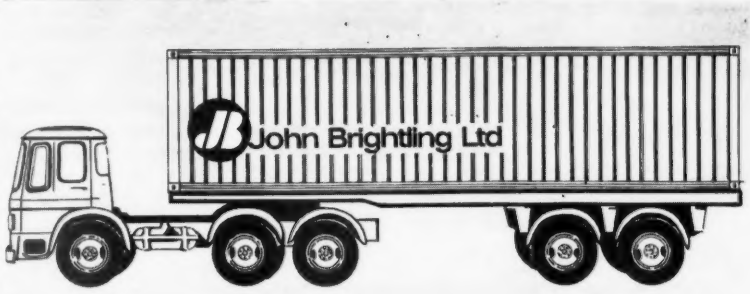

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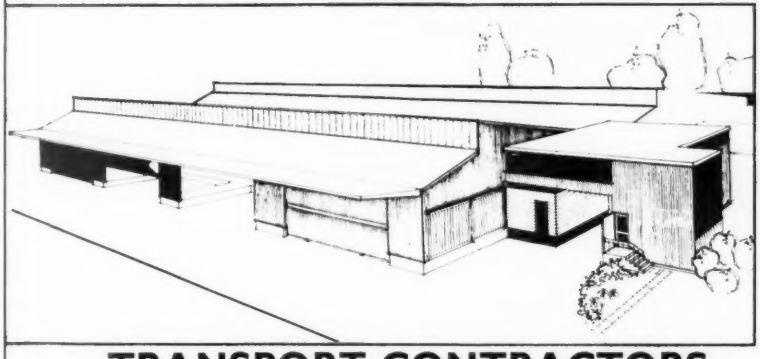

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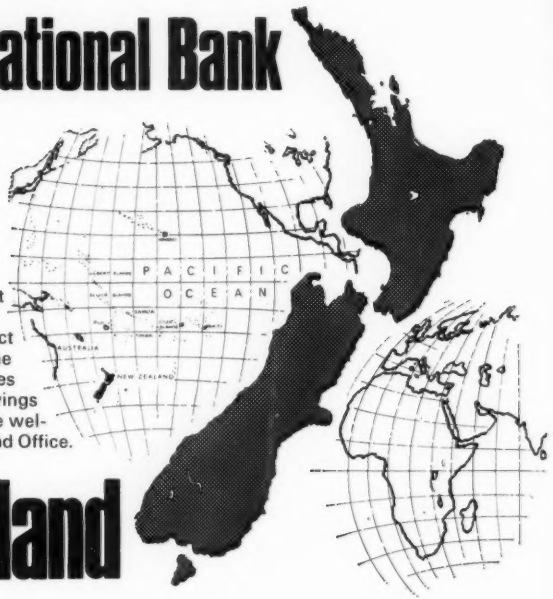

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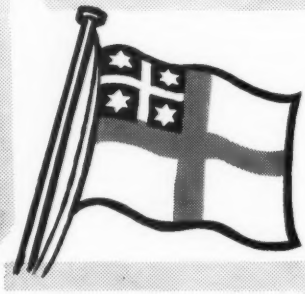

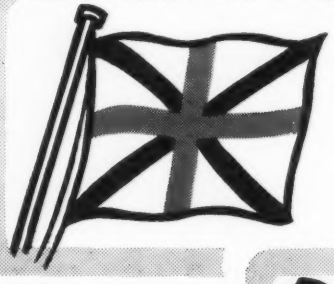

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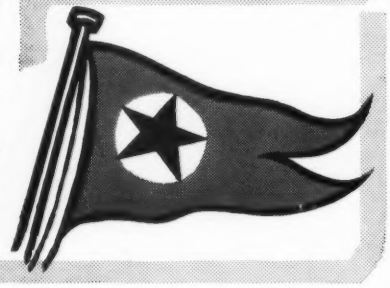

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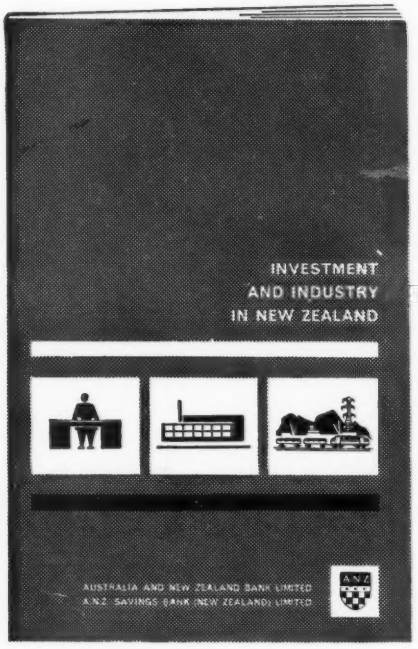

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Trading with NEW ZEALAND

Contents

Messages from the Rt. Hon. Douglas Jay, MP, President of the Board of Trade, and the Rt. Hon. J. R. Marshall, New Zealand Deputy Prime Minister and Minister of Overseas Trade 9

Life in New Zealand, *by Ian Templeton, Wellington correspondent of the 'Auckland Star'* 10

The New Zealand Economy, *by M. J. Moriarty, Secretary, Department of Industries and Commerce, New Zealand* 14

New Zealand as a market for exporters, *by A. R. Dellow, Director, New Zealand Manufacturers' Federation* 17

The New Zealand Market – a tradition and a challenge, *by Alexander Ross, Chairman New Zealand Committee, British National Export Council* 20

Export techniques in New Zealand 23

The Wellington International Trade Fair 24

Information work in New Zealand: Britain's image, *by R. D. Wall, First Secretary (Information), British High Commission, Wellington* 24

Assistance for exporters: 1. Individual companies 26

2. Industrial groups and BNEC trade missions .. 27

Advertising and media, *by D. F. Thompson, publisher and public relations consultant, New Zealand* 28

Role of the British Trade Association of New Zealand 29

Getting behind import licensing 29

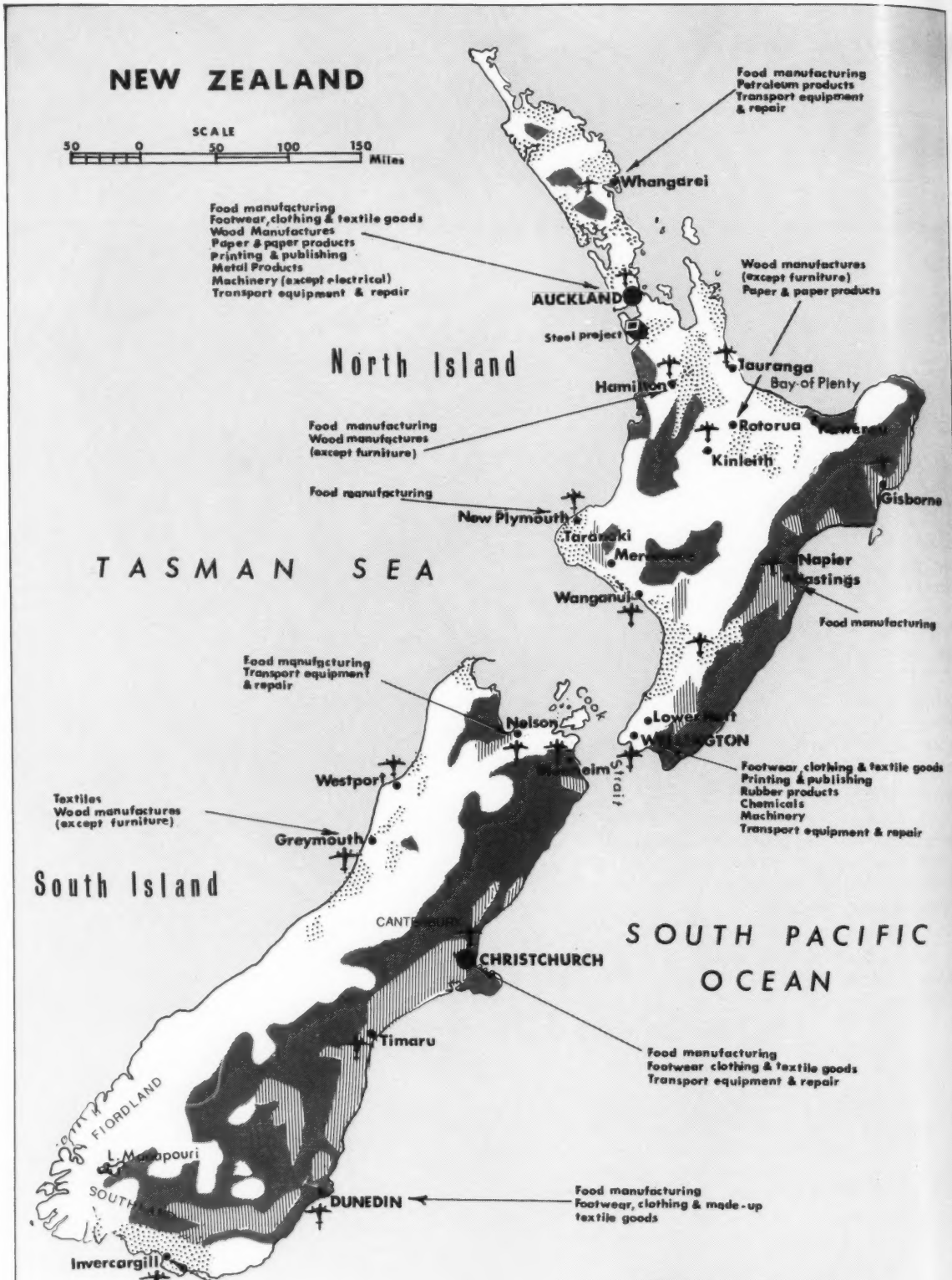
Export success stories 30

Britain – New Zealand's principal market, *by H. C. Holden, New Zealand Senior Trade Commissioner and Counsellor (Commercial), London* 32

Useful addresses 34

Front cover picture

Wharf scene at Wellington, New Zealand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& repair
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Westport
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Printing & publishing
Rubber products
Chemicals
Machinery
Transport equipment & repair
Textiles
Wood manufactures
(except furniture)
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South Island
SOUTH PACIFIC
OCEAN
CHRISTCHURCH
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Transport equipment & repair
FIORDLAND
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Invercargill
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Food manufacturing
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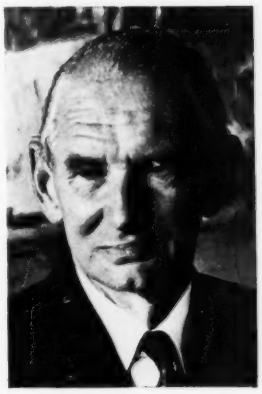
Messages

FROM THE RT. HON. DOUGLAS JAY, MP, PRESIDENT OF THE BOARD OF TRADE



I WELCOME the publication of this supplement on Trading with New Zealand as a mark of the importance which we in Britain attach to the trading relationship between our two countries. It is, I think, particularly appropriate that Mr. Jack Marshall and I, who were associated in the negotiation last summer of the 1966 United Kingdom/New Zealand Trade Agreement, should join in providing the foreword.

It has sometimes been said in the past that the British exporter has tended to take the New Zealand market too much for granted. I do not think that it would be possible to hold such a view today. At the Wellington International Trade Fair, which opens in three weeks' time, the British court will be considerably larger than that of any other country. Under the auspices of the New Zealand Committee of the British National Exports Council, a series of vigorous and hard-selling trade missions have visited New Zealand to put across what this country has to offer. We realize only too well that modern export promotion methods have got to reinforce traditional goodwill and sentiment, real though we know these to be, in selling our exports in New Zealand.

Of course there is no room for complacency. I do not underestimate the difficult problems of adjustment which arise from the severe import restrictions which the New Zealand Government have had to adopt. It is up to us, however, to concentrate our effort on the sectors of the New Zealand import market offering the best opportunities for growth. As Mr. Marshall points out, there is no reason at all why Britain should not expand her exports to New Zealand, particularly in the capital sector.

The Trade Agreement represents a balance of advantage, which is to the benefit of both our countries. We fully recognize the importance of the British market for New Zealand's exports of foodstuffs. We hope that New Zealand will continue to turn first to us for her imports of capital equipment, so that we can continue to play a constructive part in her future development.

FROM THE RT. HON. J. R. MARSHALL, NEW ZEALAND DEPUTY PRIME MINISTER AND MINISTER OF OVERSEAS TRADE

I AM HAPPY to join Mr. Douglas Jay in introducing the *Board of Trade Journal's* supplement on New Zealand.

Mr. Jay and I are each responsible for the promotion of our country's export trade, and in this respect our meetings over the negotiating table in London in June last year were of prime importance for the maintenance of the great volume of trade between Britain and New Zealand. The terms of the 1966 Trade Agreement – which resulted from these meetings – safeguard New Zealand's vital trade interests in Britain for some years to come. But this is not all. The arrangements also benefit Britain by providing British exporters with advantages over competitors in the New Zealand market through guarantees of duty-free entry for certain imports and of wider margins of preference for others.

Commercial transactions between Britain and New Zealand amount to about £430 million a year. In 1966 New Zealand exported over £162 million of goods to Britain, and in turn purchased from Britain £134 million. This gave New Zealand a balance on trade alone of £28.1 million, but Britain's large earnings in New Zealand from invisible items – freight, insurance, returns on investment – more than counter-balance the trade advantage we have. Last year the balance on overall transactions favoured Britain by £44 million.

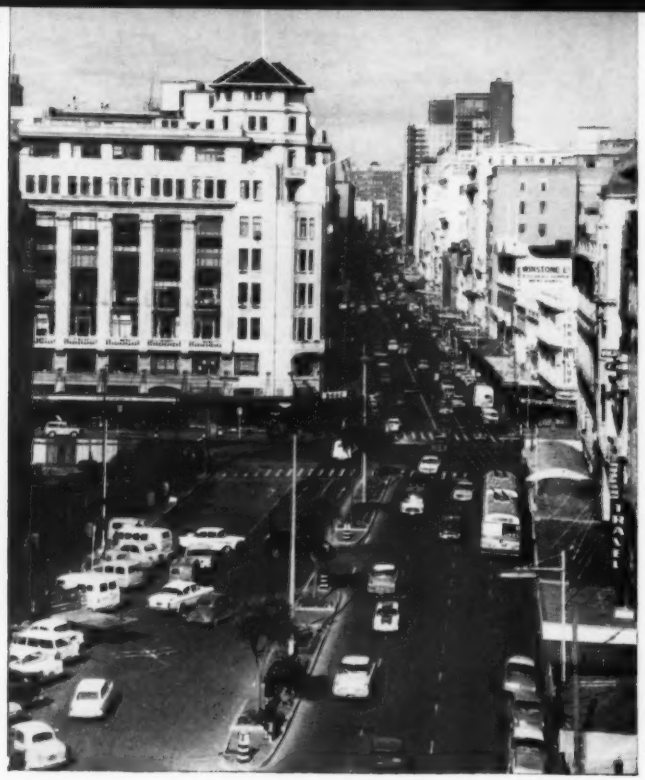
New Zealand is Britain's largest overseas supplier of butter, cheese and lamb, and sales of these products alone to Britain provide about 30 per cent of the country's total export earnings. Our success in expanding sales of dairy products and lamb to the British consumer over many years has resulted in large measure, from conscientious attention to satisfying the customers' requirements and to the production of commodities which meet British demand at competitive prices. Extensive and persuasive promotion in the market place has helped to maintain New Zealand's position in the forefront.

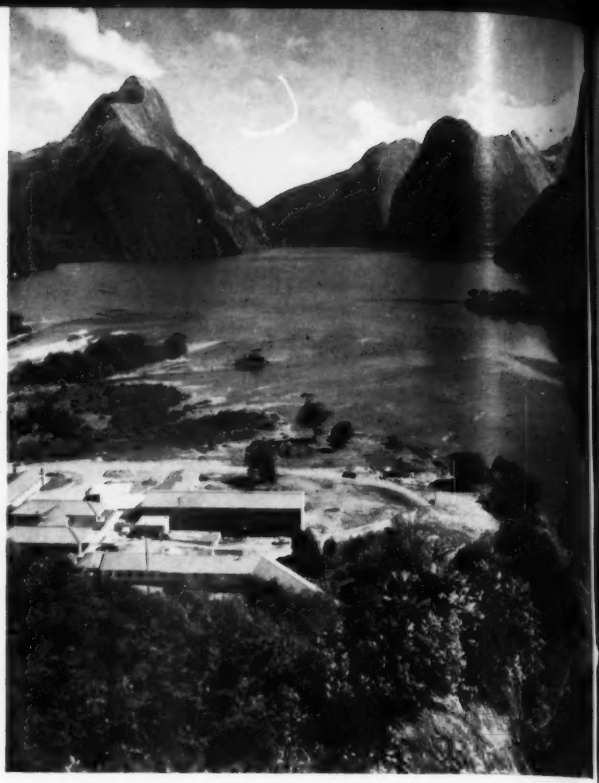
In as much as Britain feels itself drawn to closer association with Europe, New Zealand may be faced with some difficulties in sales of primary products in the British market in the future. Provided New Zealand obtains the continued and permanent right of access for the volume of our exports and a fair opportunity to compete, she feels confident of meeting this challenge.

Over recent years, Britain's proportionate share of the New Zealand import market has tended to fall. This is in part due to increasing competition by other countries for New Zealand's business and in part to the changing pattern of New Zealand's import requirements. Increasing industrialization in New Zealand has brought a shift in import demand from consumer goods to raw materials and capital goods. To a large degree our import substitution policy has been forced on the country because of the protectionist agricultural policies in force in many other parts of the world, which have limited the return which we can get from our export sales. It has, therefore, been necessary for New Zealand to devote a higher proportion of its overseas earnings to the purchase of raw materials rather than finished goods.

Nevertheless Britain is still New Zealand's' chief supplier, and with an expenditure of £90 per head on goods, shipping, insurance and other trade costs, on a population basis New Zealanders are Britain's best customers. New Zealand importers are free to buy from any source and are continually on the lookout for the best and most efficient source of supply. With promotion and marketing skill – and the advantage of valuable tariff preferences – there is no reason why Britain should not expand her exports to the New Zealand market.

I am sure that this supplement will assist both New Zealand and Britain in the encouragement of an increased flow of trade between our two countries.





Aspects of life in New Zealand. On this page (left) Queens Street in Auckland City, New Zealand. (Right) the head of Milford Sound, Southland, New Zealand. Mitre Peak (5,560 ft.) is on the left; the Elephant and Lion Rock on the right.

Life in New Zealand

by Ian Templeton,

Wellington Correspondent of the 'Auckland Star'

THE DECADES since World War II ended have wrought significant changes in the lives and attitudes of New Zealanders. Already historians see 1945 as a watershed, with New Zealanders, toughened in the crucibles of the European and Pacific wars, returning to their own land with a new awareness of their own place in the world, and the future course they wanted their country to take. The high idealism of those years, which inspired the then Prime Minister, Mr. Peter Fraser, to play an outstanding role at San Francisco in the formation of the United Nations, has been battered by the disappointments of succeeding years; yet those disappointments have not been without value, in teaching New Zealanders new relationships in an interdependent world.

Twenty years ago New Zealanders thought and talked of their country as the 'Dominion' of New Zealand, an integral part of the British Commonwealth, again with the emphasis on the British. Now, the Commonwealth link is still cherished, but once the Britishness of the Commonwealth began to be watered down by the admission of large numbers of Afro-Asian nations, it lost some of its significance for New Zealanders. For a time there was a feeling in insecurity; then the kind of tough-minded independence that marked out New Zealand's pioneers re-asserted itself. New Zealanders now begin to see themselves more clearly as a Pacific nation.

The pessimists regularly gather at the wailing wall, and bleat about the country's vulnerability: she is menaced by Asian communism, threatened in trade by the Common Market, liable to be let down by the forgetful and ungrateful Britain, overpowered by United States dollar imperialism, debilitated by dependence on meat, wool and dairy products for export income. Almost daily, the news media carry opinion from one 'expert' or another about some impending disaster. New Zealanders have become inured to these prophets of woe. And, in any case, where is the evidence on which these predictions are based?

The fact is that New Zealanders have become accustomed to prosperity; an egalitarian prosperity which allows one of the most beautiful yachts on the Waitemata harbour to be owned by a dock labourer. For nearly 30 years successive governments have insisted not merely on full employment, but on over-full employment. So has evolved an affluent society, with few poor, and even fewer millionaires (there are both, but you have to work hard to find them).

Sheep mustering at Marlborough, with the aid of a mule team.

Indeed the economic problems of New Zealand are the problems of prosperity. Politicians have not yet learned the art of managing a steady rate of growth. They are still experimenting; and some of their essays in the past have left scars; scars, which fortunately for New Zealanders, have quickly healed.

Travel agents in the United States, foreseeing a great travel boom to the South Pacific in the 1970's are already promoting New Zealand as the 'paradise' islands of the South Pacific. They may not have the island beauty of the Fijis or Tahiti; but they have enormous variety, plus the modern conveniences of an advanced civilisation; one vast playground stretching from the warm subtropical north 1,000 miles south to the rich temperate farmlands of Southland, and the wild grandeur of the southern lakes and mountains of Fiordland. New Zealanders are not anything more than lukewarm about an influx of tourists: they would prefer to keep these islands to themselves, and their children.

They have developed a pattern of living based on their European antecedents, but already with a Polynesian flavour (Auckland has the biggest Polynesian population of any city in the world). Out of the 86 in every 100 New Zealanders who were born in New Zealand, about seven have half or more Maori blood. About 14 in every 100 were born overseas. The remaining 79 comes mostly from British parentage. A history of much higher birth rates in the Maori population results in almost half its people being below the age of 15, compared with a third for the rest of the population. Moreover, as Auckland becomes increasingly the capital of Polynesia, there is a steady influx of Pacific Islanders. Gay, happy-go-lucky people, these islanders are sometimes criticised as improvident by stodgy Europeans; but it is they who may in time give Auckland a special quality among the cities of the Pacific.

Already Maoris and islanders, with their extraordinary gift of rhythm, dominate the increasingly sophisticated entertainment world. Polished entertainers like Howard Morrison, Gerry Merito and the Keils can make a useful living in a calling for which only a few years ago there seemed little future. The night life could hardly be compared with that in the cities of Europe or America, but with amendments to the previously rigid licensing laws, high class restaurants have at last appeared in the main cities. Affluent New Zealanders, who a decade ago were forced to entertain visitors in their homes, have suddenly discovered good food. Many of the new restaurants have become profitable enterprises. The hotel industry though still backward in many areas, has had to meet the competition in the cities, and has bestirred itself, aided by Government finance, to build new hotels. Admittedly the six o'clock swill, that horrid bequest of the puritan tradition which found its way to New Zealand as an invisible export of Victorian England, still persists. The Government has, however, promised a referendum on the question of 10 p.m. closing.

For most New Zealanders, the pattern of living still centres on the home – a bungalow-type dwelling set in a quarter or eighth-acre section. Postwar housing developments have pushed dormitory suburbs up to 20 miles from the centres of cities like Auckland and Wellington, each year swallowing up tracts of rich farmland until both government and local authorities have been forced to heed the warnings of planners and provide assistance for urban redevelopment and the construction of high-rise apartment blocks. In Wellington, particularly, the skyline has changed with the addition of tall blocks of flats – several of them built by a company formed by an Englishman who emigrated to New Zealand as a carpenter about 1950 and has since become one of the country's most enterprising and successful building contractors.

Critics of New Zealanders often picture them as a regimented race, dancing to the tune of a heavy-handed bureaucracy. In fact as a race they have shown in both war and peace a rare gift for practical improvisation, for self-reliance and self-help in emergencies. A downtrodden lot could have hardly produced a Sir Edmund Hillary or a George Lowe, or the hundreds of other mountaineers who regularly scale the great peaks of the Southern Alps; or Jim Davern the Auckland yachtsman who won the Sydney-Hobart yacht race last year, and the thousands of other New Zealanders who test their skill on yachts and boats of all kinds round the shores of their country.

The output of sportsmen in world class is remarkable for a nation of 2.7 million people. Again, critics argue that a disproportionate amount of physical and mental energy is concentrated on rugby football, and point to the fierce competitive spirit that has made the All Blacks renowned wherever Rugby is played. It is suggested, particularly by visitors to New Zealand, that there is something unhealthy about the national devotion to Rugby, about the do-or-die attitude of All Blacks as they take the field in an international match, about the fervour of parents urging their seven and eight-year-olds to get stuck in. But Rugby is part of the

national identity, and if it yields some odd manifestations, no-one can doubt that it has made its own peculiar contribution to the growing sense of nationalism of New Zealanders. As rugby, though, has become more sharply competitive and harshly disciplined, the appeal of other sports has advanced. Often these reflect the affluence of the younger generation who can afford to travel several hundred miles for a weekend's ski-ing, or in summer, surfing. The struggling apprentice or the high school pupil might still travel in group parties in buses; but most youths have their own cars. The fibreglass surfboards (costing £50 each) have become the badge of an emancipated youth. It is the 'surfies', sharing a common language with those in Australia, Hawaii, the West Coast of America, and Peru, who are making young New Zealanders aware of their Pacific environment.

Yet, even in this period of change and challenge, the eyes of young New Zealanders still turn to Britain. Shipping companies can turn a profit transporting eager young Kiwis on the long haul across the Pacific and the Atlantic for the grand tour of Britain and Europe. For the scholastically brilliant, too, Oxford and Cambridge are still the finishing schools to which they turn.

The old loyalty to Britain remains strong, even among the younger age group. Indeed the 'trip home', tends to sharpen that sense of nationalism which observers have noted in New Zealanders in the past 20 years. While it nourishes the spirit of nationalism, the voyage of discovery to Britain and beyond keeps alive the sentimental attachment to England, Scotland, Ireland, Wales (wherever the parents or grandparents originated). A British visitor to New Zealand is apt to be overwhelmed by hospitality from New Zealanders anxious to repay something of the warmth they found in the 'old country'.

This sentiment can produce its heroic aspect, as it did in 1914-18 when it cost 18,000 lives and 1939-45 when it cost 10,000 lives. 'Where Britain goes, we go', said the Prime Minister Mr. M. J. Savage in 1939; and another Prime Minister could say much the same thing in 1956, still with the bulk of public opinion behind him. Even yet, in 1967, when New Zealand is fighting in Vietnam without the British, many New Zealanders are puzzled and bewildered at the drawing-apart of the two countries.

In trade and commerce, New Zealand would still prefer its old relationship with Britain. The South Island high country sheep-farmer would prefer to sell his wool to the Bradford mills, the Waikato dairy farmer his butter to Tooley Street, the Taranaki dairy farmer his cheese to the miners and factory hands of the North Country, the Southland farmer his fat lambs to Smithfield. Over the past 10 years Britain has bought £1,700 million worth of produce from the New Zealand farm. New Zealand in turn has bought £1,200 million of goods from Britain. This has left a sizeable gap in 'visible' trade; but when the 'invisibles' – shipping freights and fares, insurances and so on – are taken into account the balance has tilted sharply in Britain's favour. Shipping costs New Zealand about £80 million, conservatively estimated, each year; and where the New Zealand farmer has to sell his product on the world market, at world prices (which has meant in recent years a depreciated price in real terms) the shipping firms he employs work on a cost-plus basis.*

New Zealanders have realised over the past decade that much as they would like to cling to the traditional link with Britain, they must seek to diversify their markets. They have achieved some striking successes. This explains why, though exports to Britain have remained relatively static in money terms, they constituted only 50 per cent of New Zealand exports last year compared with 65 per cent in 1956. Exports to Japan in this decade have multiplied ten times, to an annual value last year of £40 million.

If New Zealand is still heavily dependent on farming for the raw materials for its main exports, the character of the industries have changed. On the farm itself, the farmer uses increasingly sophisticated machinery to do the work for him. New Zealand pioneered agricultural aviation techniques for the spreading of fertilizer to make the once heavily forested hills bloom green again. In the dairy country of the North Island, where one-man 50-cow farms were once the norm, herds of 300 cows are common; yet labour employed on dairy farms has steadily declined. Even in periods of low prices, improved efficiency has enabled farmers to expand output and so maintain overall income.

Yachting on the Waitemata Harbour, Auckland.

Both the meat and the dairy industries have invested enormous sums in modern manufacturing plants. Meat cuts and boned meat – now a quarter of meat exports – are being sent away packaged in cartons, some by air freight. More than a third of the dairy industry's export receipts of £105 million last year came from products other than butter and cheese. By expanding in depth into the processing side, the farm industries have gained new flexibility and strength in the contest for new markets. Freeze drying vegetables has become a new export industry. Modern trawlers are being built to harvest the hitherto neglected, richly productive seas around the coast. Another £30 million is being invested by the big forest firms to diversify their plants and expand their capacity to export.

Wool, which for long enough has been exported in its raw state, is being processed in a variety of ways. New Zealand now makes the bulk of its own requirements of carpet; and has found some useful export markets. If the old established woollen mills could

* **Note:** Freight rates for agricultural produce are negotiated at frequent intervals as between the shipping lines and the New Zealand Producer Boards and adjustments are made on the basis of actual costs of shipment – ascertained by independent auditors.

be rationalized, these too could become a platform for an export drive.

New processes mean new factories, new towns: these in turn have generated the growth of service industries.

The image of New Zealand abroad is of a gigantic farm. Three-quarters of the population however live in towns – about one-fifth concentrated in the urban area of Auckland alone. The South Island which at the turn of the century contained about half the country's population, now has less than one third. In some regions of the South Island, the West Coast for example, the population is static or declining. Exceptions are the Christchurch urban area and the Southland province (where tremendous farming progress in the postwar period has been followed by the launching of the £50 million Manapouri power project, which may in turn attract with its low cost electricity a big aluminium smelter using bauxite mined at Weipa in Queensland, and exporting the refined products to the markets of the world, especially Japan).

Developments in the south nevertheless cannot match the booming regions of the North Island – Whangarei in the north with its oil refinery, glass, cement and fertilizer works, Hamilton with its plastic factories and agricultural machinery manufacturers, Tauranga and Rotorua in the Bay of Plenty with the great forest industries based at Kinleith and Kawerau, and of course Auckland itself. In 1900 only one-tenth of the country's factory employment was in the Auckland provincial district; now about one-half is located

Visitors to Maori village at Whakarewarewa.

there. This surge will continue; already many industries are shifting north to take advantage of the expanding market. Other new industries choose to establish themselves close to the major internal market: the £56 million investment in an iron and steel industry will be placed in a small farming town about 20 miles south of Auckland.

New Zealanders are learning new industrial skills – some experts say not quickly enough. Yet the pace of industrialization in recent years has been so great that it, as much as anything, has precipitated the chronic balance of payments problems the country has faced over the last decade. Raw materials and industrial machinery now constitute the bulk of the country's imports. Consumer goods are now less than 20 per cent and diminishing as an import item each year as local factories expand production (often with heavy protection, through the import licensing weapon, against competition from abroad).

The unsubtle use of quantitative restrictions on imports has yielded many economic anomalies. There are about 18 different assembly plants putting together packs of car parts imported from all of New Zealand's major trading partners; economic reality would suggest scope for no more than four such assembly plants. The desire to sustain a car industry of sorts has led to a price structure for cars that sets New Zealand apart. New car prices are controlled strictly by the Government, and because new vehicles have been in short supply for nearly 30 years the market for second hand cars has become so artificial that even two-year-old cars can fetch prices above those fixed by the Government for the new. The New Zealander likes to move around his own country and so, at holiday time, the roads are cluttered with vehicles 20 and 30 years old. The *per capita* ownership of cars ranks only behind that of the United States and Canada as the highest in the world. To keep all these ancient vehicles on the road has stimulated a skilled servicing industry, which has developed the capacity to produce car parts which are so finely made they can be sold readily and competitively in such keen markets as the West Coast of the United States. The enthusiasm for motoring, allied with the do-it-yourself skill of New Zealanders, has made motor sports popular in recent years and several young drivers – Bruce McLaren, Denis Hulme, Chris Amon, Jackie Palmer – have achieved success abroad.

With more than one million vehicles registered, the congestion of the roads has become as serious in New Zealand as in any other country of advanced living standards. The casualities of the road have wiped out the equivalent of a town of 5,000 in the past decade, with another 50,000 maimed.

Even the giant new motorways being built into the urban centres of Auckland and Wellington are hardly likely to halt the terrible propensity of New Zealanders to use their cars as weapons of destruction.

New Zealanders like to think they enjoy one of the highest standards of living in the world. They were gratified last year when the then Minister of Finance quoted statistics to show that New Zealanders had the highest percentage of dwellings with piped water (99.5) and with baths (91.7, compared with England's 78.7), and the greatest intake of calories a day per person (3,510, compared with Britain's 3,290), in the world. The number of full-time university students per 1,000 population at 12.2 ranked second only to the United States, and was more than double Britain's. In consumption of electricity, New Zealand ranked fourth in the world with 3,200 kilowatts per person, ahead of Britain's 3,000.

These are of course selected statistics. The average New Zealander would claim another title: the greatest beer drinker in the world. He dismisses the higher intake of the Germans and the Australians on the grounds that 6 p.m. closing is a handicap that must be taken into consideration.

Certainly life in New Zealand is comfortable materially. Pioneering hardships are seldom experienced by the modern New Zealander, unless he goes looking for them in the rugged construction camps of the big public works projects, and even they, these days, have television and other city amenities. Yet, for all the growing urbanization, New Zealanders are basically an outdoor race, escaping whenever they can from the cities to the beaches and the bays, the forests and the mountains, the lakes and the rivers: fishing, tramping, surfing, ski-ing, mountaineering, or merely sight-seeing.

The changing environment shapes the New Zealand character. The modern New Zealander is more conscious of his own country; while he realizes that if Britain chooses to cast off the traditional link, it must be replaced with closer ties with the United States and Australia, he wishes that his government could plot a more independent course than it does. Some New Zealanders argue that their country must seek to become the seventh state of Australia. But for others the worst insult is to be confused with the Australians.

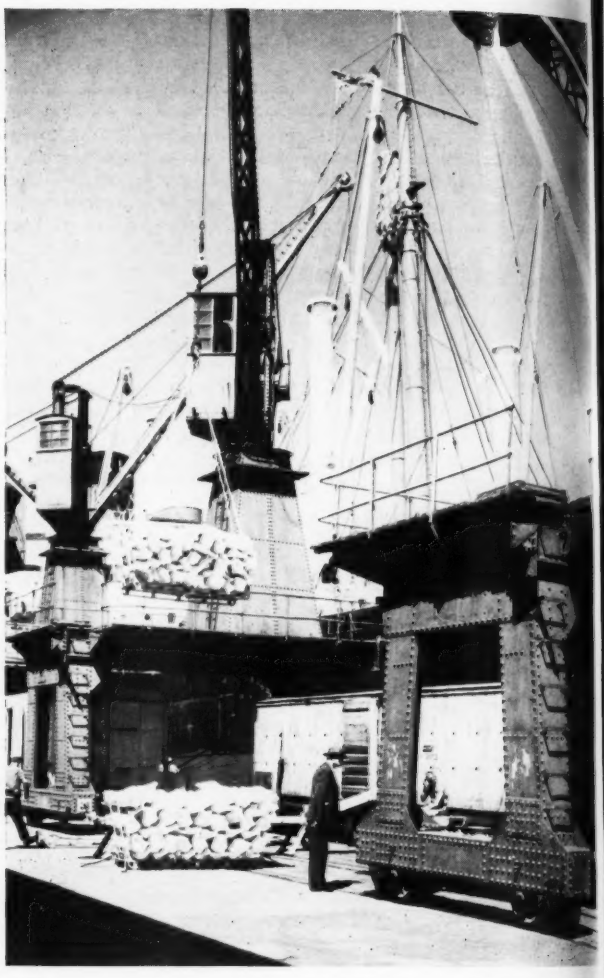
Preoccupation with changing circumstances and anxiety over future economic relations have not obscured for New Zealanders the continuing importance of the link with Britain. New Zealand in many ways is still very close to Britain. It keeps its sterling reserves in London, and is concerned with the general health of sterling. It looks to London to raise capital for major projects. Its Parliamentary and judicial system is still very much the British system. While Canadians have their own national emblems and their own national flag, New Zealanders still stand to 'God Save the Queen' and content themselves with an ensign. The Canadians have their own highest court of appeal; New Zealanders still go to London. As part of the English-speaking world, New Zealand is just as influenced by world vogues that emanate from Britain.

Fundamentally, whether Britain joins the common market, or not, New Zealand does not want to see the bonds that tie it to Britain severed.

The New Zealand economy

by M. J. Moriarty, Accts. Prof., D.P.A.,

Secretary, Department of Industries and Commerce, New Zealand



New Zealand lamb being unloaded from refrigerated railway vans and swung aboard an overseas cargo ship at the port of Wellington. In 1965-1966 *New Zealand exported* 362.1 *thousand tons of mutton and lamb. Of this* 270.9 *thousand tons went to the United Kingdom. Wellington ranks next to Auckland among New Zealand ports.*

Dependence on agriculture

NEW ZEALAND is an exception to the general rule that the highest living standards are found in the more industrially advanced countries.

Although New Zealand enjoys high living standards, industrially the country is under-developed when compared with most of the world's high income nations. It is the land and its produce that is the springboard for New Zealand's comparative wealth.

The agricultural sector provides most of New Zealand's domestic food requirements plus a considerable surplus which contributes more than 90 per cent of export income. Production for export in turn represents about a quarter of the Gross National Product. New Zealand is thus extremely vulnerable to the frequent and often severe fluctuations in world prices for primary produce. These price changes can have a swift and substantial impact on the whole New Zealand economy which in turn means that New Zealand's living standards are in constant jeopardy.

New Zealand is aware of the doctrine that if risks are to be borne they should be broadly spread. However, New Zealand's agricultural exports have won widespread acclaim for their superior quality. Moreover the economic disability involved in the long distance transportation of perishable goods for export has been offset in New Zealand by climatic and geographical advantages and by the high level of efficiency achieved by the New Zealand farmer. Almost the whole of the country's economy is consequently geared to the production of high quality agricultural goods at competitive prices. In this respect a radical reorganization of New Zealand's economy would not only seem largely unwarranted but could have drastic consequences for the future of the country.

Nevertheless New Zealand has taken steps to achieve industrialization. The capital equipment and raw materials for the development of industry must, however, be financed from exports of agricultural products. Thus the base of industrial development – and of the large evolution of a more broadly based economy – depends, in a large measure on unpredictable world prices for wool, meat and dairy products.

In an effort to promote the rapid growth of the industrial sector New Zealand has, during the last eight to 10 years, imported up to the limit of its capacity. Only in 1959-60 when prices for dairy products rose sharply due to climatic conditions in Europe, was a substantial surplus in overseas exchange recorded. This surplus emerged only after private imports had been cut back to just over £200 million for the year. Since 1960 export receipts have, fluctuations apart, risen substantially – but so have import payments. Together with a steady increase in the deficit on invisible account (freights, insurance, etc.) New Zealand has been forced to run down overseas reserves to a dangerously low level.

This chronic imbalance of payments has dictated the need for the imposition of import restrictions. Although these balance of payments measures have had an incidental effect in increasing the level of protection to domestic industry it is equally true that import licensing has also restricted the development of domestic industry because manufacturers have not always been able to import items essential to their industries.

In summary New Zealand spends on imports all available funds. The level of imports for industry – in fact all imports - is governed by the country's export earnings and if New Zealand is to buy more, and thus develop industry it must sell more agricultural products at economic prices.

Industry has developed

The turning point in New Zealand's industrial growth came in 1958 when development in the industrial sector took a rapid upward swing. Symptomatic of the economy's vulnerability, however, this swing coincided with a serious drop in export prices and a high level of imports, causing a serious decline in New Zealand's overseas reserves. Since 1958 industrialization has become a deliberate policy and a number of valuable industries has been established. A refinery for the production of motor spirit, fuel oil, bitumen and other products from imported crude oil has been set up; an aluminium rolling mill producing sheet, strip, foil, and aluminium extrusions and a steel rolling mill producing reinforcing rods, merchant bars etc., are further examples of what has been established. Wire rope for forest industries and marine work is now made in New Zealand and a wire drawing mill producing wire for nails, barbed wire, fencing and baling has been established. Mills for processing forest products, although established in the early 'fifties, has been expanded substantially in recent years and paper, wood pulp, newsprint and sawn timber are increasingly valuable export products.

The development of these industries has of course resulted in

Top: Wairakei geothermal power project, Auckland Province.

Bottom: Road-rail ferry 'Aramoana' leaving its berth at Wellington for the daily trip across Cook Strait to Picton in the South Island.

a change in New Zealand's import pattern. Imports of finished goods have decreased, and imports of raw materials and capital equipment have increased. But New Zealand has continued to import in total up to, and with the assistance of overseas borrowing, beyond the capacity of export earnings.

Besides establishment of these new industries, deliberate efforts have been made to promote development in depth, through the incorporation of a larger domestic content in the goods made in New Zealand. An increasing variety of domestic parts is now incorporated in imported motor vehicles; high level domestic content is used in television and telecommunications industries; New Zealand has now developed much of its own agricultural machinery, earth-moving equipment and transport vehicles.

At present New Zealand is entering a second phase of industrial development which involves the development of heavy basic industries. An iron and steel industry based on New Zealand iron sands is under construction and it is expected to be in production next year. Investigations are also being made into the possibility of establishing an aluminium smelter based on an abundant supply of hydro-electric power.

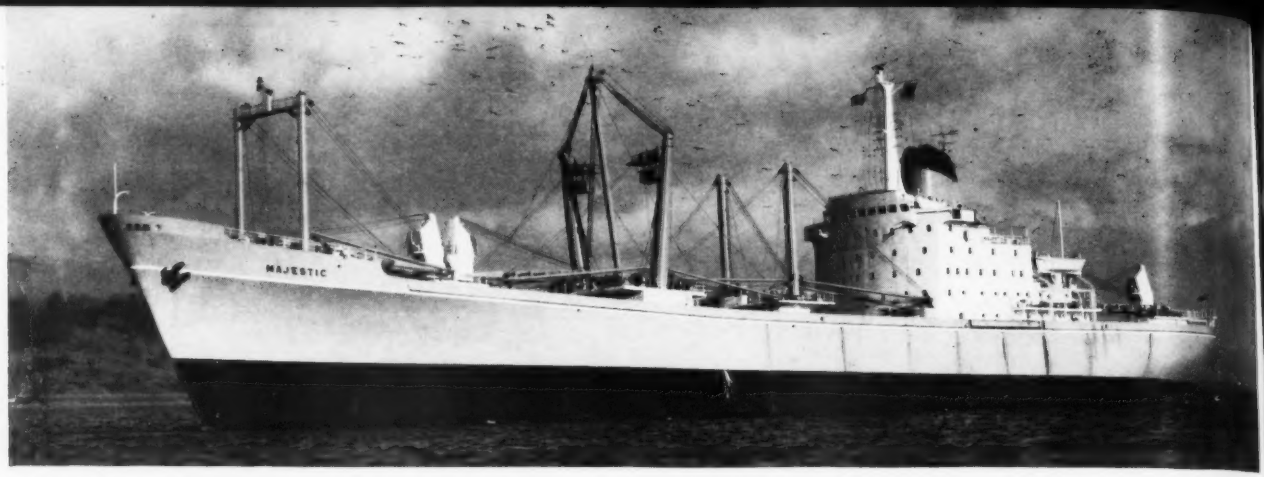
Further development is expected in other industries. Forest based industries, already well established, are developing the production of fine papers, considerable progress is also expected in the electronics industry and the New Zealand engineering industry is constantly expanding.

The results of this rapid development are gradually becoming evident. New Zealand is now largely independent of imports of consumer items. For the year ended June 1966 only 11.9 per cent of imports were finished consumer goods. In 1938 imports of consumer goods comprised 26 per cent of total imports.

The policy of encouraging manufacturing in depth has also had the obvious effect of lowering the ratio of imports to Gross National Product from 27.5 per cent in 1958 to 19.6 per cent in 1965-66.

Exports have been diversified

Industrialization in New Zealand has had a small but significant effect on the pattern of the country's export trade as manufactured goods have been developed to meet export standards. The value of manufactured exports has increased from £2 million in 1947, to £8.2 million in 1960, to £17.5 million last year. This trend is, of course, in line with New Zealand's overall policy of diversifying



The refrigerated cargo liner m.v. 'Majestic' of 12,590 gross tons was built by Alexander Stephens & Sons Ltd. of Linthouse, Glasgow, for Shaw Savill Line. She is now on their regular service for the carriage of refrigerated and general cargo between the United Kingdom and New Zealand.

export products to relieve the country's overdependence on exports of lamb and butter to Britain.

This ambition has been realized to a certain extent in recent years. South-east Asia and markets close to New Zealand are buying more and more from New Zealand. Ten years ago Japan was New Zealand's eighth world market. In 1966 Japan took 8 per cent of New Zealand's total export to become the fourth major market. The Philippines have increased their buying from £0.2 million to £2.6 million over the last 10 years. Malaysia and Singapore have increased their share from £0.5 million to £4.0 million. In 1966 the United States bought 16 per cent of New Zealand's total exports compared with only 7 per cent 10 years ago.

As described above the development of these markets can largely be attributed to the development in New Zealand of a broader range of export products through intensive market research and product analysis. Expenditure on agricultural production and processing research has almost doubled over the last five years from £1.8 million to £3.4 million. Research expenditure devoted to all primary industry including forestry and fishing has grown from £2.0 million to £4.4 million in the same period. It does not include money spent on trade surveys, trade exhibitions, fairs and trade missions.

The work of the New Zealand Dairy Research Institute is an example of the work being done in this field. Chiefly due to the efforts of the Institute, New Zealand's traditional exports of dairy products – butter, cheese, milk powders and casein – have largely become intermediate materials from which some 87 differing products are derived, presented in about 150 different forms of packs. As a result New Zealand dairy products are now sold in 80 different markets throughout the world. In the 1965-66 season, total exports of dairy products fetched £101 million on world markets – nearly 30 per cent in markets other than Britain. The Japanese market for dairy products, in particular, has been intensively cultivated over the last 10 years. New Zealand is now the largest supplier of dairy products to Japan which has displaced the United Kingdom as New Zealand's largest customer for milk powder.

Improvements and innovations have also taken place in the meat industry to meet the requirements of new markets. Most significant changes have occurred in the form in which New Zealand meat is sent abroad and though carcase trade remains dominant, pre-cutting, processing and packaging is assuming increasing importance. Five years ago meat cuts made up only 4.6 per cent of total meat exports. Last season a third of all meat exported was packaged cuts. The measure of success in market diversification is that while in 1954 only 7.3 per cent of New Zealand meat was sold in markets other than British, last year no less than 38.5 per cent was sold in other markets; three quarters of New Zealand's beef and veal and no less than 83 per cent of the country's mutton (77 per cent to Japan alone) found markets other than Britain. Only lamb, of which Britain took 92 per cent, shows what might be called the traditional pattern.

New Zealand's most valuable export, wool, is similarly being diversified. Carpets, carpet yarn, piece-goods and fashion garments are complementing traditional exports of raw wool. The European Economic Community continues to be New Zealand's largest market for wool. Sales to the community last season amounted to almost 700,000 bales. Nevertheless New Zealand greasy wools are finding increasingly valuable markets in Japan, Mainland China, Formosa and the USSR – all relatively new markets.

Probably the most rapidly expanding export industry in New Zealand is that of forest products. Ten years ago exports of forest products, valued at £4.4 million contributed 1.60 per cent of total export earnings. Last year forest products contributed £12.2 million or 3.15 per cent of total earnings. Australia, New Zealand's chief market for forest products, took 74 per cent – mostly newsprint and pulp. Most of the balance was bought by Japan (21 per cent) which has proved a valuable market for New Zealand logs.

Will dependence remain

New Zealand has had similar success in diversifying markets with other products. However this success is limited. While statistically a correlation can be shown between the fall in the proportionate share of our exports to Britain and the rise in the proportionate share of Japan and other trading partners, the volume of products exported to Britain has not decreased. These other markets are, in the main, taking only a part of the increases in production which are resulting from the growth of the country's economy. In fact relatively few permanent tendencies towards actual replacement of Britain as a market for New Zealand's principal exports can be detected.

Moreover the traditional exports of lamb, butter and cheese to Britain (about 30 per cent of total exports) are the core of the whole export industry. It would be uneconomical to supply the newly won markets in South-east Asia with mutton and milk powder if an outlet for butter and lamb did exist.

As has been shown, the extent and source of New Zealand's export earnings almost entirely determines the country's import policy and degree of economic development. To sustain the flow of basic raw materials and capital equipment necessary for growth and development, New Zealand must achieve ready access and satisfactory remuneration for its agricultural exports. To expand export earnings at a pace proportionate to New Zealand's development and import need is a basic precondition for economic growth and is consequently New Zealand's major trade objective.

If this objective is achieved and the fine balance between industrial development and agricultural exporting is maintained New Zealand may well expand earnings as an industrial exporter. As a small country New Zealand is fully aware of the problems of making a living along these lines. But the prospects of continuing with a completely agricultural economy are so much worse under present world conditions.

New Zealand as a market for exporters

By A. R. Dellow, B.Com., Director of the New Zealand Manufacturers' Federation

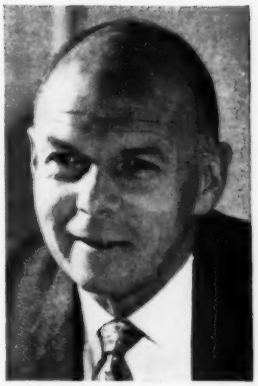
NEW ZEALANDERS should be forgiven for feeling sometimes that theirs is the most misunderstood country in the world. They live in a country which has a reputation as 'one big farm' and has a growing reputation as a Pacific tourist paradise; yet it is also one of the most highly industrialized nations in the world. They hear or read a good deal of criticism about their trading practices and in particular about the alleged restraint on sales to New Zealand caused by import licensing; yet the level of overseas trade per head of population is one of the highest in the world and in total it equals the trade of a number of countries with many times New Zealand's population.

In the last trading year, to June 1966, New Zealand earned £375.5 million for her exports, which amounted to £141 per head of population. A major factor limiting ability to spend is a continuing, rapidly-growing deficit on invisible items, much of which is in favour of Britain, and running at a current level of some £90 million per annum. In spite of this, New Zealand spent £364.8 million on imports (c.d.v.) last year, only £10 million less than the export earnings and nearly £137 for every man, woman and child in the population.

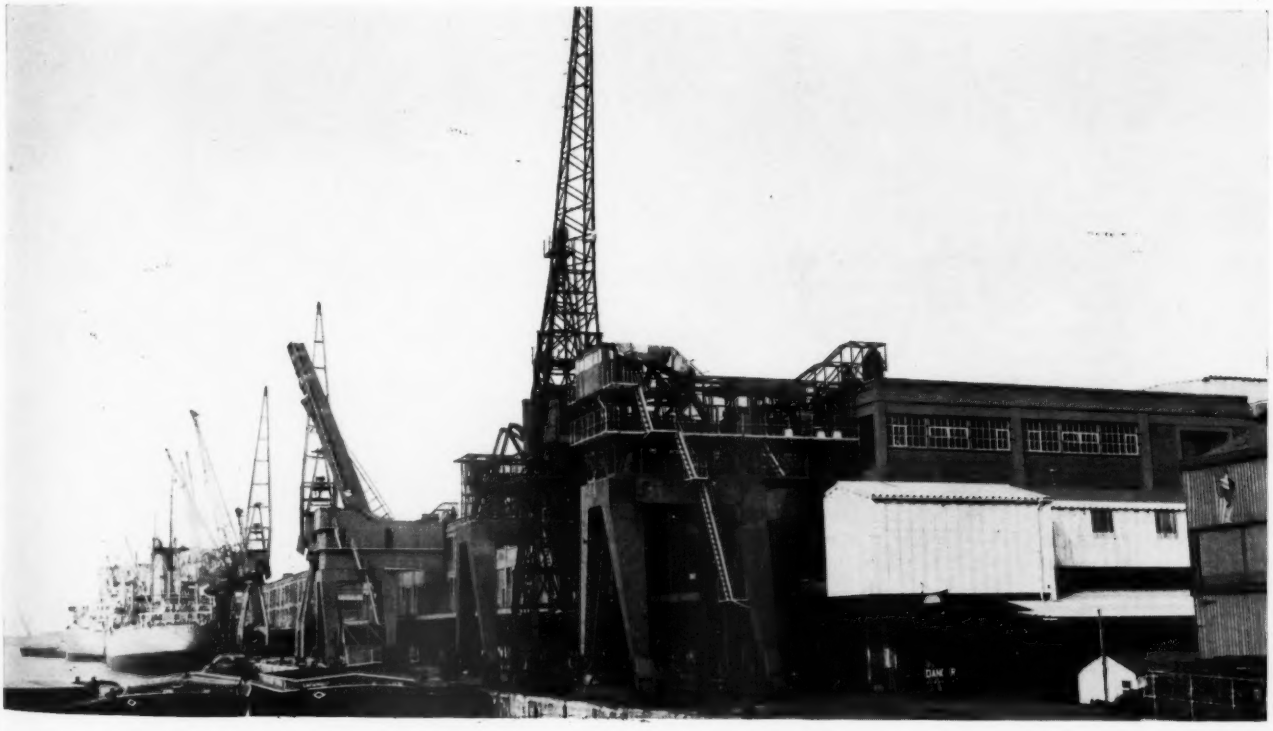
As New Zealand has maintained only a modest level of overseas reserves, the gap was bridged by heavy overseas borrowing. Subsequent events, including a fall in wool prices and heavy buying in by the New Zealand Wool Commission at floor prices, have resulted in further deterioration in the country's balance of payments position. Some restrictions to dampen down demand were imposed in the trading year now drawing to a close, including a 15 per cent cut in imports subject to import licensing. and a further 20 per cent cut is being imposed in licences for 1967-68.

In spite of this, the latest estimate made by the New Zealand Institute of Economic Research (in March) is that imports for the 1967 June year will cost £360 million c.d.v., only £5 million less than last year, while income from exports is expected to drop by £20 million. It is apparent that solution of New Zealand's balance of payments problem is still a long way off, but the point of quoting these figures is to show that the level of New Zealand

MR. A. R. DELLOW



Mr. A. R. Dellow, B.Com., has been director of New Zealand's Manufacturers' Federation for the past 17 years, in which time the value added in factory production has quadrupled from £113 million to an estimated £450 million, and manufacturing has grown into the largest productive sector of the New Zealand economy. Mr. Dellow has prepared and presented submissions to Government, to the Tariff and Development Board, to the Court of Arbitration and other Tribunals, on taxation, the tariff structure and import licensing, immigration, wages and conditions of employment, education and technical training, trade agreements, transport and many other important questions. He is a member of the Industrial Advisory Council, the Immigration Advisory Council, and the Council of the Standards Association of New Zealand.



A new meat-handling berth at the Port of London Authority's 'B' Berth, Royal Victoria Dock.

imports is running at a very high level and will continue to do so indefinitely into the future.

However, like every other country with a developing economy, New Zealand's pattern of overseas trade, including imports, has been transformed since the Second World War. This is partly due to changing international patterns of trade, including the British movement towards closer association with Europe, and partly to changing requirements which accompany the peaceful industrial revolution through which New Zealand has passed.

In this period of rapid change, British exporters have held their total volume of sales to New Zealand, but at the same time their share of the total market has dropped from 52 per cent to 38 per cent, being lost mainly to Pacific suppliers with whom New Zealand's two-way trade has been growing rapidly.

The trend is shown in Tables 1 and 2.

Although New Zealand's import licensing system comes in for periodic criticism from exporters in other countries, two factors have worked in Britain's favour. They are the fact that traditional

EMI Electronics Ltd. has supplied the New Zealand Broadcasting Corporation with a series of microwave links to improve and extend the country's television coverage. Picture shows senior New Zealand trade officials in London inspecting some of the equipment before shipment to New Zealand.

suppliers, whose agents hold the import licences in New Zealand, are able to hold their place in the market. Their sales may have declined because New Zealand manufacturers are supplying a greater proportion of the domestic market, but at least other supplies have had negligible chances of breaking in on the share provided by imports.

Also, New Zealand adheres strongly to the principle of multilateral trade and has resisted pressure to balance trade with individual countries. Recently this pressure has been strong from Russia and some European countries, but the rule which still applies is that for imports under licence, as well as those which are exempt, the importer is free to choose his source of supply. Under this system, Britain continues to enjoy preference in the New Zealand tariff structure.

These advantages have been offset by other changes in the pattern of New Zealand trade. Vigorous industralization, especially in a country with a limited range of mineral resources, inevitably has led to a switch in imports from predominance of finished goods to a predominance of plant and machinery, raw materials, or partly processed materials and components. Traditional suppliers can lose their advantage in these circumstances and tariff duties tend to be at a much lower level on plant and materials than on finished goods, or are not imposed at all, so this advantage is also diminished in effect.

Comparisons are not easy to make because adequate breakdowns of the relevant New Zealand statistics are a recent introduction. However, imports are now classified by authority to import, and the current pattern is as in Table 3.

Table 1. Exports from N.Z. (f.o.b.)

	1956		1965-66	
	£N.Z. Millions	Per cent of total	£N.Z. Millions	Per cent of total
Total	275·1	100·0	375·5	100·0
Britain	178·2	69·7	167·8	44·7
United States ...	19·4	7·1	52·6	14·0
Japan	2·7	1·0	28·1	7·5
France	16·8	6·1	20·1	5·4
Australia	7·9	2·9	16·4	4·3

Table 2. Imports into N.Z. (c.d.v.)

	1956		1965-66	
	£N.Z. Millions	Per cent of total	£N.Z. Millions	Per cent of total
Total	234·8	100·0	364·8	100·0
Britain	126·1	51·8	139·1	38·1
Australia ...	33·3	14·6	67·5	18·5
United States ...	17·8	7·8	42·0	11·5
Japan	2·2	1·0	22·4	6·1

Table 3. N.Z. Imports, eight months July 1966–February 1967: Authority to Import

(C.i.f. Values, £N.Z. Millions)

	Government Imports	No Remittance schemes	Exempt from Licence	Under Licensing Schedules	Total
Food and live animals	2·5	0.4	7·5	3·4	13·8
Crude materials (inedible) except fuels	0·3	—	13·3	4·9	18·5
Mineral fuels, lubricants	—	—	18·0	0·6	18·6
Chemicals	0·2	0·1	10·8	15·9	26·9
Manufactured goods...	3·4	0·3	20·6	51·0	75·3
Machinery and transport equipment ...	15·8	8·5	11·8	54·2	90·2
Miscellaneous manufactured articles ...	1·7	0·3	3·6	10·7	16·3
Total (including 'other' not specified above)...	23·8	9·3	87·3	142·9	263·3

The table covers about two-thirds of a year's imports at current levels. For the import licensing year 1967/68 there will be an overall cut of 20 per cent in imports under licence and measures taken by the Government to reduce internal demand are intended to reduce demand for imports exempt from licence. The no-remittance scheme is to be modified. Nevertheless, New Zealand's overseas trade and particularly imports will continue at a high level. This is necessary, both to meet consumer demand but also to keep industry active and to maintain full employment. Although a variety of restraints are in force, expansion of the national economy is expected to continue, but at a slower rate than in the past four or five years.

Post-war expansion has taken place both in existing industries, on a broad front, and through the development of many new enterprises, some of them on a substantial scale, by international standards. Food processing, manufacture of clothes and footwear and engineering are as old as farming in New Zealand, growing all the time. Between 1960 and 1965 the value added in manufacture of footwear and apparel increased by 37 per cent, in textiles by 50 per cent, in metal products and machinery by more than 100 per cent, and in electrical machinery by 185 per cent.

The cost of materials used in these industries, much of it imported, has also shown a substantial increase. In 1959-60, materials used in textiles, garments and footwear cost just over

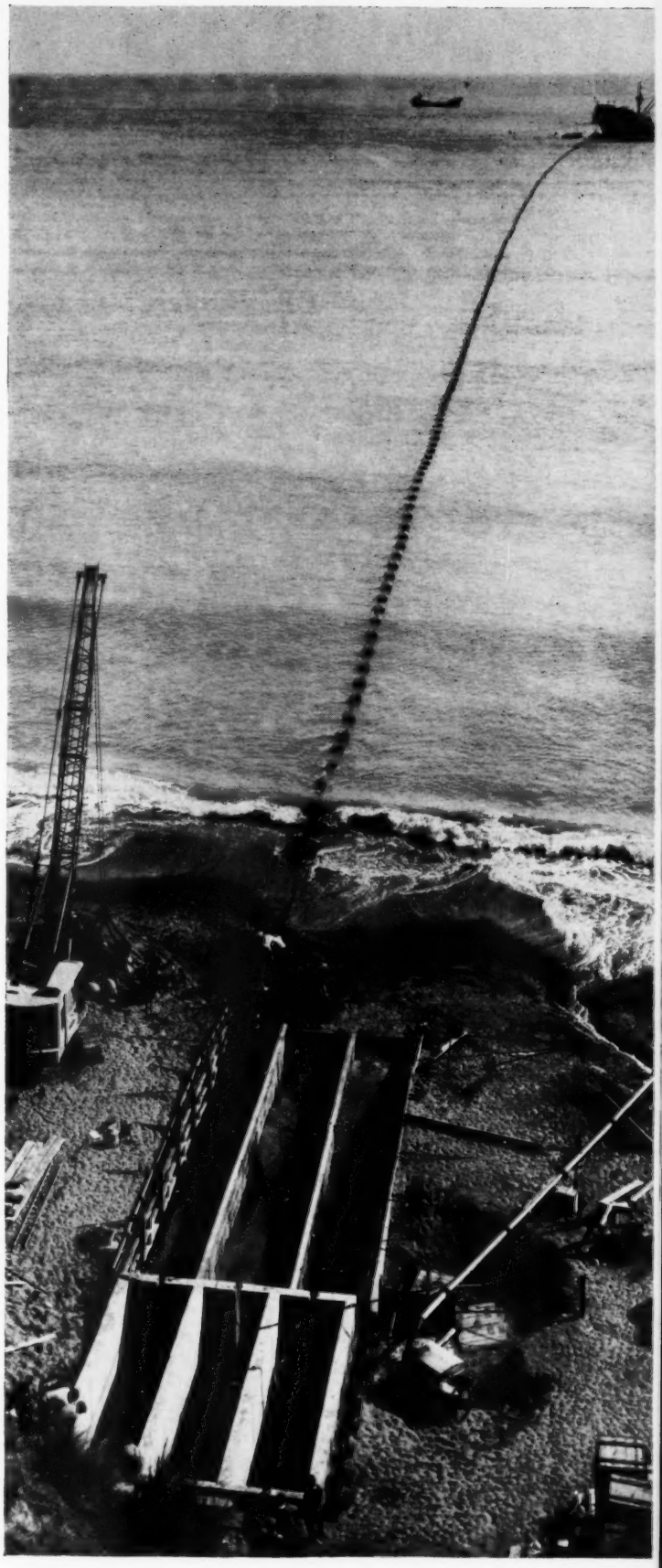
£50 million, and in 1964-65 it had risen to £72 million. Materials used in the manufacture of metal products, machinery and electrical machinery cost just under £40 million in 1959-60, and doubled in the next five years. Expenditure on materials for assembly of transport equipment also nearly doubled in the same time, increasing from £35.8 million to £69.8 million. This growth far outstripped the inflationary element in the statistics and the increase in real output was paralleled by expansion of production capacity and in all the services, from factory buildings to power generating stations, which are also required.

New products made in New Zealand in this peaceful industrial revolution include steel drums, forklift trucks, water jet engines, harvesters, washing machines and tumbler driers, wallpapers, wire rope, television tubes and sets, nylon, wood screws, vinyl tiles and high-speed drills. New Zealand now has an oil refinery and an iron and steel industry is now being established.

British exporters, like New Zealand manufacturers, are not too concerned about inquests into past performance but are most interested in where they stand today and what the prospects might be for tomorrow. As far as New Zealand market is concerned, estimates of future imports and the share of them won by British exporters would be in the realm of prophecy, but the latest position and some indication of prospects can be drawn from a selection of last year's imports and the share of them supplied by Britain. Table 4, giving totals in £N.Z. millions on a c.d.v basis, speaks for itself:

Table 4

1965-66	Total N.Z. Imports	Imports From U.K.
Synthetic and artificial fibres	1·0	0·2
Organic chemicals	5·6	1·6
Inorganic chemicals, elements, oxides	3·6	1·0
Dyestuffs, tanning materials and pigments	2·4	0·9
Medicinal and pharmaceutical products	8·2	3·3
Essential oils and perfumes	0·6	0·3
Plastic materials	9·9	4·3
Miscellaneous chemicals	5·1	2·5
Paper and paperboard	4·0	1·9
Textile yarn and thread	5·0	2·3
Cotton fabrics, standard type	10·6	2·2
Other textile fabrics, standard type	13·6	4·7
Tulle, lace and trimmings	1·5	0·5
Made-up articles of textile materials except clothing and footwear	3·2	0·5
Iron and steel bars, rods, angles	8·5	2·2
Universal plates and sheets of iron	13·8	2·9
Iron and steel wire	2·1	0·9
Iron tubes, pipes and fittings	4·6	2·7
Copper and copper alloys	7·1	2·7
Nickel and nickel alloys	0·3	0·1
Nails, screws, nuts, bolts, rivets, etc.	1·4	0·7
Tools	3·5	1·3
Power generating machinery (not electrical)	5·2	2·0
Metalworking machinery	2·3	1·1
Textile and leather machinery	3·7	1·5
Machines for special industries	7·8	4·1
Electric power machinery and switchgear	8·5	4·9
Equipment for distributing electricity	3·8	3·1
Telecommunications apparatus	4·9	3·3
Electrical machinery	7·0	3·3
Railway vehicles	3·3	0·4
Road motor vehicles	40·6	27·2
Sanitary, plumbing, heating and lighting fixtures	0·5	0·2
Scientific, medical, etc., equipment	4·8	1·7



The direct current transmission system between Benmore in the South Island of New Zealand and Haywards in the North Island, is the largest yet installed, with a capacity of 600 megawatts. The contract for the submarine power cables which convey this power across Cook Strait, and which are the largest and heaviest in operation, was awarded to BICC by the New Zealand Electricity Department. In this picture the northern end of the submarine cable has been floated ashore and led into one of three concrete pens where it is married to the land line leading to the transmitter station at Haywards.

The New Zealand market — a tradition and all

by Alexander Ross, Chairman, New Zealand Committee, British National Exports Council

A century of trade

In 1867 the total value of New Zealand imports was under £5 million, of which over one half came from the United Kingdom. By the 1880's the United Kingdom proportion had risen to well over 70 per cent: it has now declined to 38 per cent. The slackening in our participation in this trade has been particularly noticeable in recent years and we must accept this as a warning that we can no longer rely on what had amounted almost to a traditional trade allegiance. A hundred years ago the commercial population of New Zealand was almost entirely of British origin and the people of New Zealand felt the irresistible tie of kinship in their trading with Britain. It is natural that with the passage of time the strength of this should lessen, but it has far from disappeared. There is still a close affinity between the people of New Zealand and the United Kingdom: and translated into trading terms this means a willingness to give preference wherever it may be possible and reasonable. New Zealand was a 'ready made' market. Its new population bought the goods and equipment which they knew and upon which they could rely. Today there is no absence of appreciation of British workmanship, but we cannot rest on past supremacy to compete with the new trading standards and prices offered by our competitors, many of whom have broken into this traditional market in spite of preferences which have been retained in our favour. So that in the hard economic problems which New Zealand faces today she is bound to dilute the influence of traditions: she cannot afford to ignore the advantages offered by competitors in price or delivery or service or even quality. Our traditional trading with New Zealand has not been established solely on sentiment or family links. It has been supported with preferential trade terms and today the tariff advantages which New Zealand gives us are greater than those afforded to us by any other nation. The New Zealand Government, the statutory marketing boards and many New Zealand industries and consumers, where commercial requirements permit, still follow an established pattern of buying British goods. The common heritage of laws, customs and language has made selling easier for us in this market. And much of New Zealand industry has been capitalized with British funds: we are the predominant contributor of overseas investment in New Zealand.

So that it may fairly be said that in the past century we have had great and varied advantages over our competitors. We enjoy many of these advantages today and we offer no mean contribution ourselves in permitting duty free and unrestricted entry of virtually all New Zealand exports to the British market. Half of all New Zealand exports come to Britain and over 80 per cent of her exports of butter, cheese and lamb is bought by us. This is a powerful incentive to reciprocity but there is an economic limit beyond which we cannot expect privilege and tradition to provide adequate substitutes for sheer competitive ability.

The changing economy

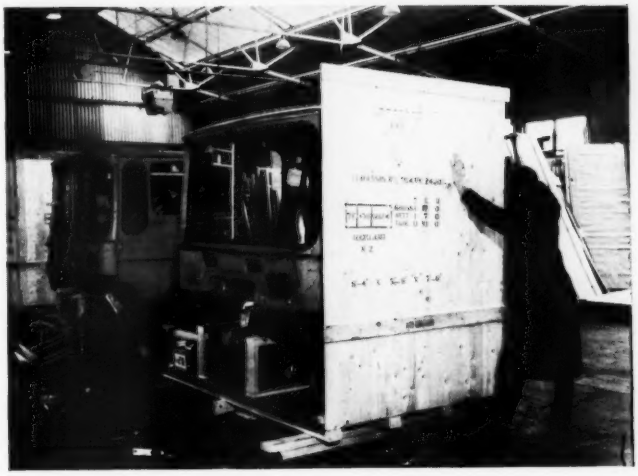
New Zealand trading history has centred around agricultural produce. The income derived from this source has had to pay for the industrial and consumer goods required to support New Zealand's population, services, and commerce. The steady advance in the extraction and development of natural riches in other countries and their employment in industrial processes and export has presented New Zealand with serious and growing disadvantages in world trade. Her answer has, for many years, been in a surprisingly well sustained economic and financial control, which, though lessening the attack on national ability, has, at the same time, promoted an increasingly difficult market for those who are exporters to New Zealand.

In order to reduce her dependence on imports New Zealand has accomplished quite remarkable growth in secondary industries designed to produce for her home market: there can be no doubt that this second line of defence was an essential to her economy.

New Zealand is still too heavily, but so far unavoidably, depend-

Page 20: Designs for New Zealand's decimal coins, which were introduced this month. The coins were struck by the Royal Mint in London. Six of them were designed by Mr. James Berry, a Wellington artist.

This page (top): One of the largest single unit bottlewashers ever made in Britain, being prepared by its manufacturers, Dawson Bros. Ltd., at their Gomersal, Leeds, works for consignment to the New Zealand Breweries Ltd., Auckland. It will handle up to 24,000 *bottles an hour.*
Bottom: Packing an AEC vehicle chassis for despatch to Auckland, part of an order for 80 *heavy-duty truck chassis.*



allenge

ent on the closely circumscribed field of agricultural exports and her first significant moves into industrial production must herald a steadily mounting programme for expansion in this field, and no doubt into heavier industry as opportunity offers: she must surely look, in time, to the possibilities in the field of re-exports where the absence of indigenous sources of raw materials rules out primary industries.

From all this we should extract encouragement. There must ensue an enlargement of the demand for raw materials and the establishment of our own factories and plant in New Zealand; success in these fields is directed toward balancing the economy and will provide for an increase in consumer spending. Any moves which New Zealand can make toward her increase in prosperity must induce more valuable inter-trading with us.

The pattern of New Zealand's economy is changing. In the last ten years it has moved through a significant cycle and its metamorphosis will continue through many more years before it is wholly accomplished. Great Britain played a principal part in the primary stages of New Zealand's development and she should not now allow other nations to take her place as principal partners in this new era of development.

The situation now

New Zealand has limited the volume of her imports. She employs a licensing system which is effective though it contains anomalies. Imports are divided into categories and licences are granted to importers in accordance with these categories. The licences are issued annually on a global basis and usually according to the history of imports of similar goods. This can argue some inflexibility, but the progress made by many of our competitors shows clearly enough that there is indeed room for competition. About one-third of New Zealand's imports are still free from restriction and though imports come from over 100 countries, from six only is 80 per cent of those imports derived. The comparative rate of growth in the figures achieved by these six is shown in the following table and this achievement must cause us concern.

Imports from	Year ended June 1956	Year ended June 1966	Growth rate over ten-year period
	£ million	£ million	
Japan . . .	2·9	22·4	672%
Australia . .	31·3	67·5	106%
USA . . .	20·5	42·0	105%
Canada . .	7·7	14·8	91%
West Germany .	6·8	11·2	65%
United Kingdom .	130·1	139·1	7%

It is to be expected that with the industrial progress in Australia and her nearness to New Zealand, active steps should be taken to establish a special trading community between them. There is great potential effect on trade arising out of the New Zealand/Australia Free Trade Agreement which came into force on January 1, 1966. This Agreement provides for the elimination over a period of eight years of duty on the import of scheduled products between the two countries. The extent to which additional items will be added when periodic reviews of the Agreement take place is of great importance to Britain.

The Americans and the Japanese are well aware of the importance of the New Zealand market. Japan looks upon New Zealand as a logical extension of her own home market and is trying to foster a 'Pacific economic community'. The United States is intensifying its efforts to secure more of the market and has recently established an American trade association in New Zealand: and the countries of Western Europe are also offering some effective com-

petition. Undoubtedly there is advantage to the exporter who is geographically nearer at hand but if this proposition were universally applied it would mean that successful exporting could only be accomplished over short distances. It is possible that we face a disadvantage with bulk goods but even in this category quality can over-ride the additional freight costs and the pre-eminence which we still retain with so many of our products should enable us to regard distance as detail.

Some idea of our competitive weakness can be seen in the schedule of product groups which is appended to this article. This schedule shows groups of products where our competitors have made considerable gains, and where, possibly, we should have been able to compete. In only one of these groups have we increased our share of the total imported into New Zealand.

The challenge

In our trading with New Zealand we have to face the not unfamiliar limitations of a controlled market. New Zealand is engaged in a struggle to right a serious imbalance in her foreign trade and while that situations continues an improvement of our own export figures must rest upon our success in securing a larger share of the available market. We started and continued for many years with far greater advantages than our competitors. Many of these advantages we stiil enjoy. They represent a good base on which to enlarge our trade with New Zealand but they cannot be any substitute for serious competitive planning and action. This means that we have to create new opportunities. In that direction one of the principal aims of the New Zealand Committee of the Export Council is to seek out such opportunities and to encourage British firms to use them to the full. The Committee has established its counterpart in New Zealand and valuable advice and advance information about projects is now readily available: this detail is recorded in a regular digest of export opportunities circulated among Britain's leading exporters. The Committee maintains a constant examination of the steps which can usefully be taken to promote the sale of British goods in New Zealand, not only in terms of volume but also from the important viewpoint of service to the New Zealand buyer. The British exporter cannot live on his past performance and expect to find a market in which competition does not really exist. Nor is it of any use to us to meet complaints – about delivery for instance – by claiming that they are grossly magnified. The cause of complaint must be removed. Our newer competitors realize that determined effort is needed to oust us and that effort they are prepared to make. We have to search out the needs of New Zealand and not merely try to make them relate to the goods we produce to our own specification: we must be prepared to engage in production specially designed for this particular market. This calls for a perception and perseverance which will be needed, not only to retain our present proportion of the market but also to increase our share of it. The table on this page clearly provides a demonstration of this need.

There is a wide shift of emphasis in the market which New Zealand offers. Her requirements for many years will be for heavy plant and machinery, raw materials for her new industries, sophisticated machine tools and all the wide range of equipment needed by an expanding economy. Exporters must recognize that this is, to an extent, a new market. They must acquire detailed appreciation of it and look to a future which will involve not only the basic requirements of industrial production but also the commercial and consumer needs which will grow in parallel with industrial development and increasing prosperity. We must study the special characteristics of this market. Markets are individual and we must realize that New Zealand is no exception.

There has been an encouraging acceleration in the frequency of trade missions to New Zealand. Continuous attention of this sort will achieve a clear indication of purpose, a vital improvement in our knowledge of the market and, in due course, a translation of study into the benefit of practice. Our immediate intent must be to prevent any greater inroad into our present proportion of the market and then to swing our share into a steady increase.

The New Zealand Committee of BNEC will do all it can to discover opportunity and to advise about the New Zealand market. Quite clearly, however successful the Committee may be in this field it must in the end be left to the individual exporter to seize the opportunities and to convert them into permanent accretions to our annual export totals; and competition for these opportunities can only be met with a proper determination to provide precisely what is wanted when it is wanted.

PRODUCT GROUPS	Imports from Five Leading Competitors		British Share of 1964 Total	British Share of 1966 Total	1966 Total Imports from 6 Leading Suppliers
	1964	1966			
	£NZ.m	£NZ.m			£NZ.m
Road motor vehicles	10·0	12·3	71%	69%	39·5
Machinery and appliances and machine parts, n.e.i.	6·6	8·8	51%	51%	17·8
Universals, plates and sheets of iron and steel	8·2	10·9	24%	21%	13·7
Agricultural machinery and implements	3·1	6·6	55%	52%	13·7
Textile fabrics of standard type, not cotton, not narrow or special	4·4	5·9	48%	44%	10·5
Plastic materials, regenerated cellulose, artificial resins	3·3	5·2	46%	46%	9·5
Iron and steel bars, rods, angles, shapes and sections (including sheet pilings)	3·9	6·0	40%	27%	8·3
Copper and copper alloys	2·8	4·4	36%	38%	7·0
Medicinal and pharmaceutical products	2·1	3·6	56%	48%	6·9
Printed matter	2·6	3·2	60%	54%	6·9
Cotton fabrics of standard type, not including narrow and special fabrics	4·1	3·6	38%	38%	5·9
Power generating machinery – not electric	2·0	3·2	43%	38%	5·2
Organic chemicals	2·3	3·5	35%	32%	5·1
Chemical materials and products, n.e.s.	1·4	2·1	62%	54%	4·7
Telecommunication apparatus	0·6	1·2	88%	74%	4·5
Scientific, medical, optical, measuring and controlling instruments and apparatus	2·1	2·6	44%	40%	4·4
Office machines	1·0	1·9	64%	52%	4·0
Fertilizers, manufactured	0·9	2·6	4%	3%	2·7
Aluminium and aluminium alloys	1·7	2·2	19%	13%	2·6
Photographic and cinematographic supplies	1·2	1·6	25%	25%	2·1

Export techniques in New Zealand

THE PREVIOUS ARTICLES will have shown that although New Zealand is a relatively small market competition is keen and the British manufacturer who wishes to sell his products in New Zealand must not take the market for granted but must ensure that he supplies the right goods at the right prices and at the right time. It cannot be over emphasized that timely delivery is an important factor in a market which is 12,000 miles from Britain but much nearer the source of competitive imports.

New Zealand businessmen have suffered for nearly 30 years from import licensing. They are acutely conscious, therefore, of the need to make the best possible use of the limited licences and funds at their disposal. In many cases the import licences are held by wholesalers or retailers rather than the manufacturer's agent. In order to persuade the licence holder to order goods the British manufacturer's agent must be able to convince his customer that his principal's goods will be popular, provide value for money and that their performance will be such that there will be demands for repeat orders in the years to come. At the same time it is not only quality, suitability and price that are important. Packaging is important since unattractively packed goods tend to create such an unfavourable impression the customer will not give them a second look.

In the capital goods sector, considerations are somewhat different. Import licensing prevents agents holding stocks of machinery. Agents are sometimes able to arrange for potential customers to see one of their principal's machines working in a competitor's factory.

But in the case of most items of equipment, they will have to rely on literature. It is important, therefore, that trade literature should be clear and well presented, accurate and that the potentialities of the equipment should be described in full. Machinery manufacturer's agents require in addition detailed technical specifications on which they can draw in answering inquiries from potential customers. When they are able to interest a customer they must be able to quote short delivery dates, since in many cases the customer is unable to plan his requirements far in advance and often needs the machinery very soon after placing the order. As mentioned above, British industry is already at a disadvantage because of its distance from the market and a long ex-works delivery date is liable to offset any technical advantages which the machinery may have.

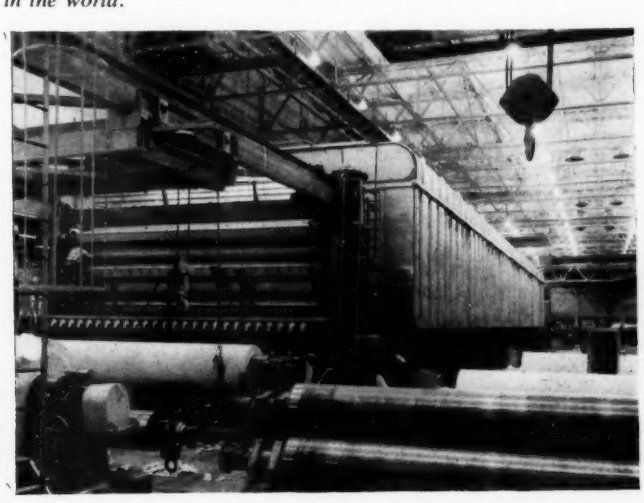
It is most important that exporters to New Zealand should always honour promised delivery dates. Import licences are valid for only a limited period and if goods are delayed beyond the validity of the licence, the importer is liable to be in serious difficulty, because it is not always possible to arrange for the extension of the licence. Even if the importer succeeds in getting the validity of his licence extended, the frustration experienced will undoubtedly damage his principal's goodwill.

Because of the small size of the market and the relatively large area of New Zealand in relation to its population, very few agents can operate economically on the basis of a small number of principals. Most agents are therefore compelled to handle a considerable number of lines and although they strive to serve all their principals equally well, inevitably tend to serve best those whose service to their agents is the most efficient.

Many New Zealand agents have long standing connections with their British principals and have visited their principal's factories at regular intervals over the years. Most British manufacturers with established agencies in New Zealand visit their agents from time to time. These visits are extremely valuable in enabling the manufacturer to get a feel of the market and provide considerable encouragement to the agent who is able to introduce his principal to his leading customers in New Zealand. Manufacturers interested in the market should strive, therefore, to visit New Zealand as frequently as possible in order to establish a close, personal relationship with their local agents and to spend sufficient time in the country to enable them to call on as many of their customers in the principal cities of both the North and South Islands.

Operating at a gross train weight of 38 *tons this* 200 *h.p. Leyland Octopus carries coal from the Waimumu open-cast lignite pit to the Makarewa Freezing Works. The truck and trailer bodies which each carry* 12 *tons, are side tipping and are controlled from the cab.*

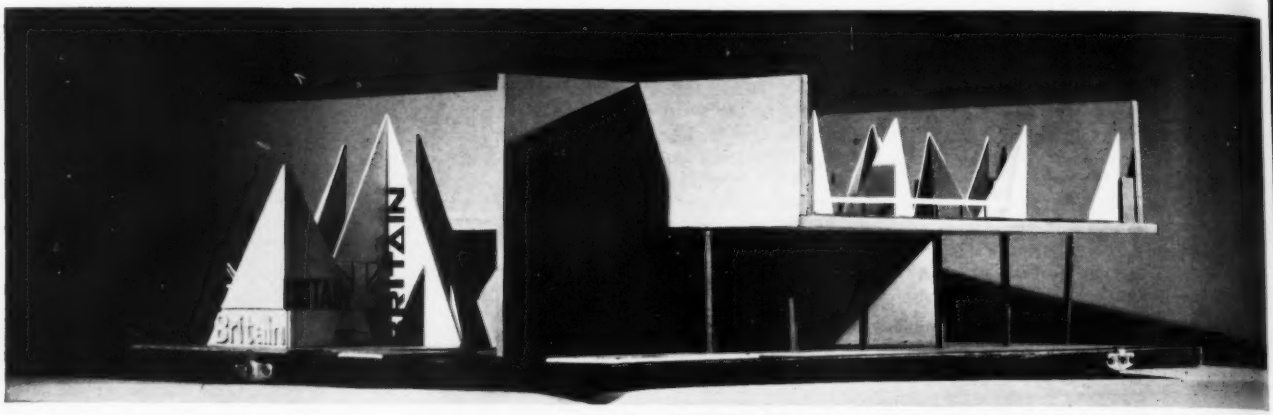
New Zealand's largest manufacturing concern is the Tasman Pulp and Paper Company, jointly owned by State and private interests. The British-made (Walmsleys) newsprint plant is the fourth largest in the world.



The Wellington International Trade Fair

THE TRIENNIAL Wellington International Trade Fair will take place from August 17 to September 2. Sixteen nations are taking part, including the United States, the USSR, West Germany and Japan. The British Court is by far the largest, with a total area of 22,000 sq. ft. (between a third and a half of the total exhibition space). Mr. George Darling, Minister of State, Board of Trade, will act as host at the British Day on August 21, at the start of an official visit to New Zealand.

The British prestige stand will feature the subject of the generation and use of power, and will centre around the Atomic Energy Authority exhibit. On May 11, the New Zealand Minister of Electricity, Mr. Shand, announced that five engineers and one scientist, all sponsored by the Electricity Department, were to be associated with the UKAEA on a British study development project. This project is expected to be complete about the end of 1968, when discussions will begin with engineering consultants on the development of New Zealand's first nuclear power station. It is expected that this will be sited near Auckland, and will provide its first power by 1977.



Information work in New Zealand: Britain's image

by R. D. Wall, O.B.E., First Secretary (Information), British High Commission, Wellington

ONE OF THE major aims of the British Government's Overseas Information Services is to ensure that it is well known throughout New Zealand that the inventive genius of the British people which gave them a head start in the 19th century in the world of technology and industry, still thrives as strongly as ever despite the ravages of two world wars and the intense competition of the newly arisen 20th century industrial power of the United States, Germany and Japan.

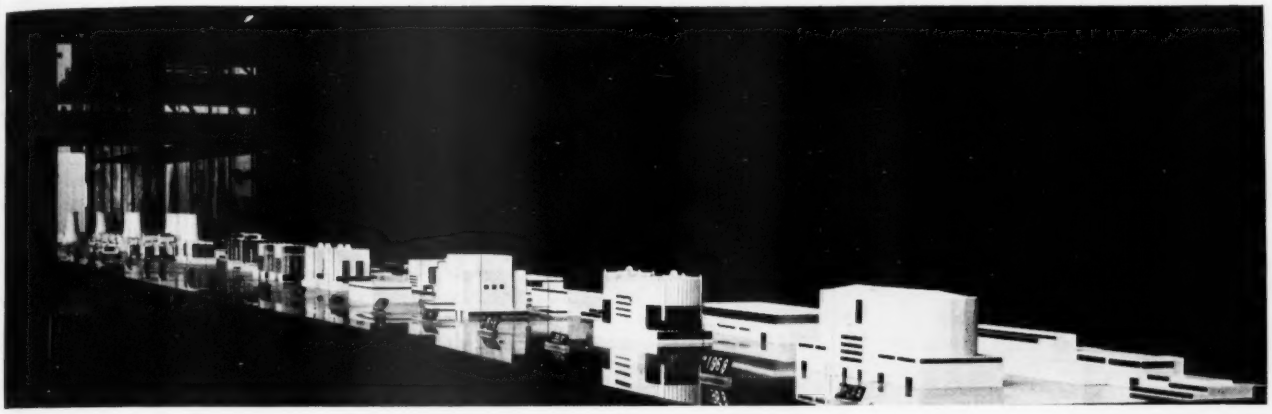
This competition has forced British industry during the past two decades to adopt entirely different methods of marketing and to support these with modern and aggressive advertising in overseas markets. The idea that 'British is Best', regardless of price or delivery date, has had to go by the board and so has the idea that the newly emergent, independent nations of the British Commonwealth will invariably continue to buy their major requirements in Britain.

In New Zealand the tradition of buying British has long survived. This is probably because of all the members of the Commonwealth the Kiwi, more than any other, has, despite distance, been closer to his kith and kin in Britain and more conscious of his connections with that country. Since the arrival of the first British settlers in this country, the New Zealander has remained British in its habits and his outlook. Two world wars served to strengthen the bonds between the two most widely separated, geographically speaking, sister-nations of the British Commonwealth. Supporting these emotional ties, there has been the economic relationship whereby Britain bought practically all New Zealand could produce in the way of agricultural products and, in return, it suited the New Zealand pocket to buy her consumer and capital goods from Britain. It would be very unwise to imagine that these conditions will continue indefinitely. New factors are now at work and attitudes are changing in New Zealand. The economic influences governing the changes in New Zealand attitudes towards overseas buying are described elsewhere in this edition. But that is not the whole picture; there are the intangibles to consider; the emotional ties; the bonds with the 'motherland', of kinship and comradeship-in-arms.

It is necessary to recognize that these, too, are undergoing change. A generation has grown up since the end of the second world war and, though the grandfathers of New Zealand may still occasionally speak of Britain as home', and still feel a strong emotional pull, their grandchildren feel differently. Though the middle-aged fathers and mothers may still harbour an aversion to buying Japanese and German goods when British alternatives are available, their sons and daughters do not. In the younger generation, nationhood is asserting itself more strongly with a consequent weakening of regard for and focus on the 'motherland'. Thus, there is felt less compulsion to buy British.

The conclusion which may be drawn from this is that merit, not sentiment will motivate the modern and future generations of New Zealanders in their purchasing. There is, however, another factor, well-known to the Government's Overseas Information Services. It is that the image of a country can have a subtle influence on the mind of the purchaser. Thus, the image of 'Swinging London', and Carnaby Street can influence the youth of New Zealand in its acquisition of wearing apparel. The successes of British drivers in British racing cars create a favourable impression of the British car industry. Likewise the influence of the Beatles on the purchase of British pop records. The availability of inexpensive Japanese transistor radios on the other hand appears to overshadow Britain's leadership and excellence in the world of electronics. In like manner the publicity given (even in BBC broadcasts and the British press) to American rocketry, atomic weapons and space research causes New Zealand youth to look towards the United States as *the* modern State. By comparison, the smaller scale of the British effort creates the general impression that Britain is old-fashioned and out of the modern scientific/technological race. This comparison is heightened by the expanding influence of the United States in inter-

The photograph on page 24 shows a model of the British Pavilion, designed by the Central Office of Information, which will be erected at the Triennial Wellington International Trade Fair. The triangular theme of the design in the forecourt of the two-storey pavilion is repeated in the individual shell stands. BELOW: This panorama of models of all the nuclear power stations built or under construction in the United Kingdom will be one of the features of the Atomic Energy Authority exhibit. It will enable visitors to see at a glance the immense scale of the British programme. Almost half the world's total nuclear generating capacity is in Britain, which has produced 50 per cent more electricity by this means than the whole of the rest of the world put together.



national affairs, while Britain withdraws in all spheres, even inside the Commonwealth. In other words, for modern New Zealand youth Britain has not the attraction that, as mistress of the Seven Seas and the centre of a world-wide Empire, she had for their fathers and grandfathers.

It is with this imagery that the external Information Services of the British Government are mainly concerned especially in their role of supporting the British export drive. Working in close co-operation with the Commercial Department of the British High Commission in New Zealand, the Information Service endeavours both to maintain and to improve Britain's image as a modern industrial power and up-to-date trading nation. There are two sides to the export promotion publicity exercise. The first consists of making it generally known to the people of New Zealand that Britain is still rich in inventive and creative genius, that she is well up with the leaders in the scientific and technological race and that in some fields she is second to none.

The second side consists of attracting the attention of New Zealand business houses and Government Department to particular items on the British export market. The first effort is achieved through the media of mass publicity; i.e., the radio, television and the lay press; and the vehicles used are feature articles, factual news items, films (television and conventional) and radio programmes on tape. All this is supported by talks delivered when and wherever possible by members of the staff of the High Commission to a variety of audiences. The second, or specialized part, is aimed directly at the 'trade', either to business houses and Government Departments direct or through the medium of the trade press. The vehicles used are the same as in the first category, but cast in a specialized, trade mould. There is, for instance, the bulletin *Trade Topics* which is produced jointly by the Commercial and Information Departments of the High Commission in Wellington and is issued weekly to a mailing list comprising Government purchasing departments, banks, chambers of commerce etc., and business houses. The present mailing list is 1,000 strong and expanding.

To sustain this service the information staff of the High Commission is dependent on a continuing stream of up-to-date, informative material provided by the Central Office of Information in London working under the policy direction of the Overseas Departments of State and the Board of Trade. In turn, the Central Office of Information is dependent on a number of Ministries, e.g., the Ministry of Technology, and on the Research and Development departments of major British industries for contributions concerning inventions, research and advancement in their various fields. The Central Office of Information relies also for news items concerning their latest products on British exporters themselves.

This effort, made by the Information and Commercial staffs of the British High Commission in New Zealand, represents a partnership of Government and private enterprise in the export field. The enthusiasm with which it is waged by the High Commissioner's staff is, from time to time, dampened by publicity given to New Zealand complaints of late deliveries, poor finish, indifferent workmanship or materials and uncompetitive prices. Nor does the news, even though it be infrequent, of industrial disputes, wildcat strikes and stoppages, relayed from Britain and given prominence in the New Zealand press, improve the British image. Unfortunately while such reports do not always represent the true state of affairs at home they tend, as all bad news does, to receive far more publicity than they deserve.

It can be counter-productive to the publicity effort in the trade field if it is found that an item which has been featured in BIS publicity – especially in the bulletin *Trade Topics,* is not available in New Zealand. In this connection, it would be a help if the manufacturer, when contributing his item to the Central Office of Information (Industrial Section), would indicate whether or not his goods are in fact available for export to New Zealand.

In concluding, it is worth making brief mention of one other method whereby the British High Commission in New Zealand helps to maintain British prestige. Every year a number of New Zealanders, influential in various walks of life, are invited to visit Britain as the guests of the British Government. While they are given every assistance to pursue their own professional interests, they are, at the same time, shown the proofs of our claims to being an advanced nation. There is evidence that these visits to our great (and small) industries, to our research establishments and to our modern (and ancient) institutions are among the most worthwhile endeavours of the Overseas Information Services in projecting a favourable picture of Britain and, in the long run, of creating a climate of opinion favourably disposed to buy British.

Assistance for exporters:

1. Individual companies

The British High Commission

COMMERCIAL OFFICERS in Wellington, Auckland and Christchurch can provide:

- Assessments of New Zealand business conditions.
- Data on local and other competition, local tastes and trading methods.
- Help in finding a good agent or representative.
- Advance information about local projects resulting from close contacts with end-users of materials, plant and equipment.
- Information about commercial standing of New Zealand firms, scope of their activities and size of their organization.
- In collaboration with their information colleagues, local publicity through all suitable outlets.
- Introductions, arrange appointments and generally assist in establishing the necessary personal contacts for businessmen visiting New Zealand.

The Board of Trade

The Board's export services can provide specialist advice, accurate and up-to-date information and practical help in exporting to New Zealand.

There are export officers at each of the Board's regional offices whose job it is to help with any problems.

The *Export Service Bulletin*, a daily publication of the Export Services Branch, provides details of contracts put out to tender by the New Zealand Government, municipalities and other public bodies, advance information about opportunities arising from projects; market reports estimating the prospects for specific goods; market pointers providing background information on developments likely to lead to exports.

Export Services Branch can provide precise and up-to-date information on New Zealand tariffs, import licensing regulations and other legislation affecting the entry of British goods into New Zealand.

Working with British Commercial Officers, the Board will search out and recommend firms or individuals suitable for appointment as agents.

Information about the commercial standing, scope of activity and standing of New Zealand firms supplied by the Commercial Officers in New Zealand is available in London.

Export Services Branch will write to the British Commercial Officers about your visit and provide letters of introduction to them if you visit New Zealand.

In conjunction with the British Commercial Officers the Board will assist in identifying possible collaborators for the manufacture of British firms' products under licence.

The Board's Information Division will help to find the most effective ways of publicising products or export activities and to choose the right media.

Export Credits Guarantee Department (ECGD)

ECGD provides a climate of security enabling exports to expand by more aggressive selling and offering greater credit on longer terms to meet foreign competition.

Insures against major financial risks, including insolvency of the buyer and default after export of the goods.

Insurance offered enables exporters to offer competitive terms to new buyers and often facilitate bank finance.

ECGD has a unique reference library of up-to-date information about the credit standing of overseas buyers enabling it to assess rapidly the status of potential buyers and tell a British exporter what they are good for in credit terms.

The banks

The banks will provide the credit-worthy exporter with a loan or overdraft against delays in receipt of payments; for the purchase of additional raw materials or the need to carry bigger stocks in order to ensure immediate delivery to overseas customers.

Financial assistance is available to cover the manufacturing or pre-shipment period, or to finance the time between shipment and receipt of the proceeds of sale.

Bank advances for a proportion of the amount covered by bills of exchange sent for collection can often be obtained to reduce the extent to which capital is tied up.

For exports of capital and semi-capital goods on extended credit terms repayable by bills drawable on the buyer, the banks may be prepared to make advances against the bills.

To assist an exporter to quote a firm price in respect of finance charges, the banks will, where an appropriate ECGD Bank Guarantee is available, provide post-shipment finance at a fixed rate of interest.

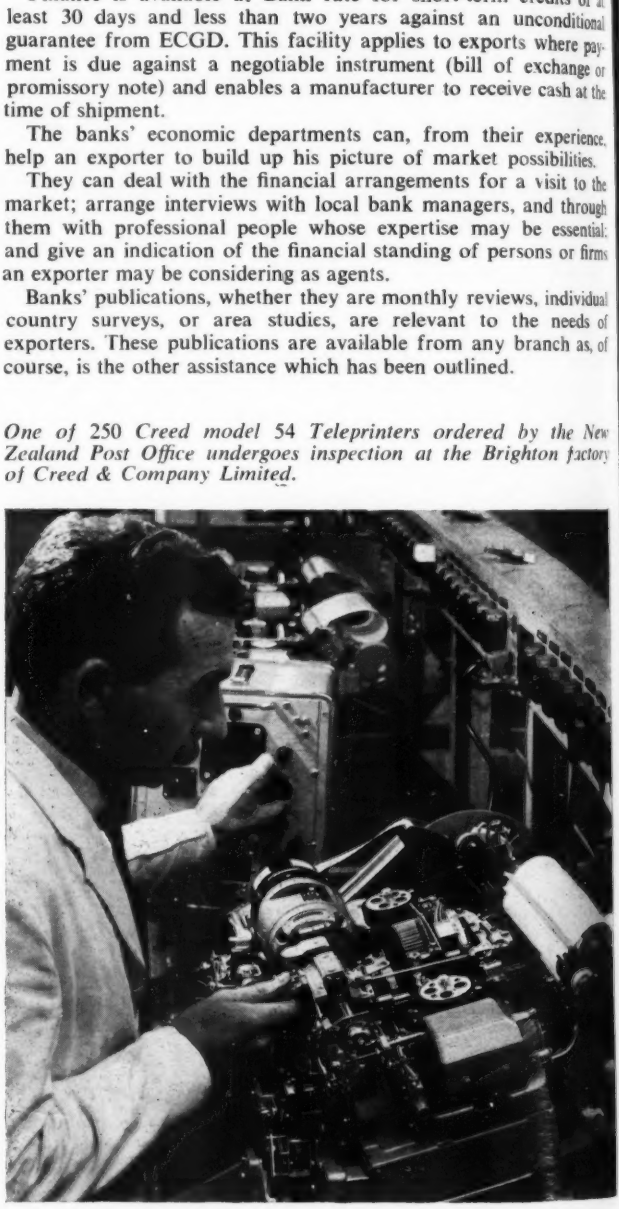
Finance is available at Bank rate for short-term credits of at least 30 days and less than two years against an unconditional guarantee from ECGD. This facility applies to exports where payment is due against a negotiable instrument (bill of exchange or promissory note) and enables a manufacturer to receive cash at the time of shipment.

The banks' economic departments can, from their experience, help an exporter to build up his picture of market possibilities.

They can deal with the financial arrangements for a visit to the market; arrange interviews with local bank managers, and through them with professional people whose expertise may be essential; and give an indication of the financial standing of persons or firms an exporter may be considering as agents.

Banks' publications, whether they are monthly reviews, individual country surveys, or area studies, are relevant to the needs of exporters. These publications are available from any branch as, of course, is the other assistance which has been outlined.

One of 250 *Creed model* 54 *Teleprinters ordered by the New Zealand Post Office undergoes inspection at the Brighton factory of Creed & Company Limited.*



2. Industrial groups—BNEC trade missions

How the scheme works

TO ENABLE GROUPS of British exporters to visit overseas territories so that they can make a first-hand assessment of the market, a scheme was announced by the Government in January 1965 to provide such missions with substantial financial aid.

To qualify for this aid, the mission must be a collective one and must be sponsored by a non-trading organization such as a trade association or chamber of commerce.

The British National Export Council is responsible for administering these missions and, if approved by them, the mission will receive up to one half of the basic costs of travel and accommodation.

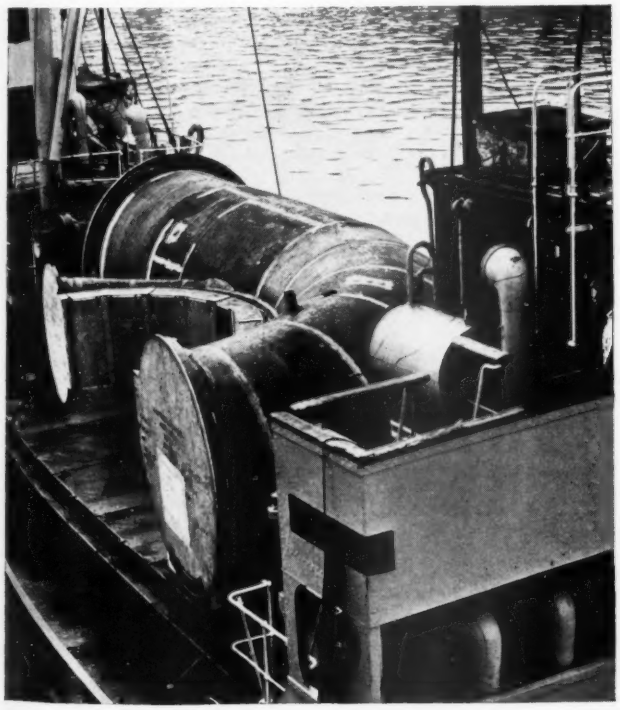
New Zealand welcomes missions

Ten missions have already visited New Zealand under this scheme with highly successful results, not only in terms of immediate orders, but through the continuing long-term benefits accruing through personal contacts made. These missions have covered a wide variety of industrial interests and they have all been warmly received by a people who have a traditional affinity to Great Britain and who are prepared to 'Buy British' if we are prepared to go out and sell to them.

Trade missions that have already visited New Zealand

The Scottish Council	Oct./Nov.	1965
Birmingham Chamber of Commerce	Jan./Feb.	1966
British Plastics Federation	March	1966
Machine Tools Trade Association	Aug./Sept.	1966
Association of Exporters of Raw Materials and Yarns	October	1966
Building Materials Export Group	November	1966
Scientific Instruments Manufacturers' Association	November	1966
London Chamber of Commerce	Feb./Mar.	1967
National Wool Textile Export Corporation	Feb./Mar.	1967
Manchester Chamber of Commerce	March	1967

Shipping Francis-type water turbines, made by the Harland Engineering Company, Ltd., of Alloa, Scotland, for installation in the Manapouri hydro-electric station.



Planning the mission

Detailed planning is essential for a successful mission and at least six months should be allowed for this.

The sponsoring organization should approach BNEC immediately with its initial suggestions and BNEC in turn will consult the New Zealand Post at the earliest possible stage to avoid any serious clash of timing with other commitments of the Post and to take advantage of the Post's on-the-spot knowledge of the local market.

Following this initial contact with BNEC, sponsoring organizations would do well to follow the suggested planning sequence detailed below:

(a) Approach the New Zealand Post direct with their initial proposals.
(b) Discuss the possibility of financial assistance with BNEC and obtain the appropriate application forms.
(c) Take early advice from the BNEC New Zealand Committee who have detailed knowledge of the country.
(d) Consult the Export Services Branch of the Board of Trade for information about the market and the potential for the products or commodity groups concerned.
(e) Arrange through BNEC or their own sources advance publicity for the mission in New Zealand.

Composition of missions

Experience has shown that whether a mission represents a single industry group sponsored by a trade association or a variety of industrial interests, as in the case of a chamber of commerce mission, 12 to 15 people seem to be the ideal number. This sized unit is easily manageable and manoeuvrable, yet it is large enough to give the correct impression in New Zealand of the importance with which British exporters regard the market.

It is important that each mission should have a leader who must be willing to devote a fair amount of his time to giving press interviews, making TV and radio appearances and calling on various officials. It is also highly desirable that the leader should be supported by a secretary who is a full-time official of the organizing body. A great deal of useful work can be carried out by the secretary for the mission as a whole, thus relieving individual members who can get on with their primary task of selling.

Period of duration of mission

It is essential that missions should allow themselves sufficient time in New Zealand to cover the country properly and should certainly visit each of the three major centres – Auckland, Wellington and Christchurch. In order to spend a reasonable time in each city, a minimum period of a fortnight should be spent in New Zealand.

How the missions help the individual

Although the primary object of every trade mission is to give its individual members the opportunity to do business on the spot, they are, nevertheless, an official body acting as ambassadors to Britain and can do much to enhance British prestige in New Zealand. Because they go out with the official backing of Government, the sponsoring organization and BNEC, they are officially welcomed, given a great deal of publicity and meet those people at

top-level who can be of the greatest use to them.

Appointments are made for them to meet High Commissioner's staff, local chambers of commerce, trade associations, etc., and business introductions are effected.

As one recently returned member of a mission put it, 'If I had gone out alone I might only have met the chief buyer, whereas as a member of the mission I was received by the chairman or managing director.'

The market is there

The New Zealand market of over 2½ million people is a rich one, and although it became necessary to employ a system of import licensing, this fact should not deter the British businessman. The market is there and about one-third of New Zealand's imports are still free from restriction. Competition for a share of this market is increasing all the time from other countries and British exporters can no longer take New Zealand for granted.

In view of the import licence restrictions in certain areas of commodities and the ever growing competition from foreign exporters, it is even more vital that Britain maintains and increases her share of this market.

British trade missions to New Zealand are the most positive means of achieving this objective.

Future plans

The New Zealand Committee for Exports (BNEC) is anxious to maintain a steady flow of missions to New Zealand and plans are already under way for a number to visit New Zealand during 1967 and 1968. Full details regarding these trade missions can be obtained from the Executive Secretary, British National Export Council (New Zealand Committee), 6-14, Dean Farrar Street, London, S.W.1.

Advertising and media

by D. F. Thompson (Publisher and P. R. Consultant), Wellington

TRADE PROMOTION through advertising in New Zealand is normally effected through an accredited advertising agency, of which there are nearly 70, including branches, throughout the country.

Printed media

National daily newspapers do not exist because of the high distribution costs. New Zealanders are prolific readers and 41 daily newspapers circulate in the country. Their estimated total daily circulation is 1,045,000. Country newspapers which are members of the Newspaper Proprietors' Association have an estimated total circulation of 58,800.

Six Saturday night sports papers are published in different centres and there are two Sunday newspapers, one published in Auckland and the other in Wellington, each claiming national circulation. There is also a popular national weekly.

Suburban newspapers, distributed free of charge to each household in their circulation area have become increasingly popular in recent years.

New Zealand has a proliferation of trade and technical publications covering a wide but specialized field.

Rates for a casual display single-column inch in the metropolitan dailies range from 15s. to 46s., and for 5,000 inches display the rate varies between 11s. 9d. and 40s. Wallpaper preprint colour costs per page are available in 22 dailies, the price per page for gravure varying from £300 to £2,332. The largest daily has a circulation in excess of 215,000.

Web offset printing has been introduced by two provincial daily newspapers.

Several newspaper clipping services are available.

Radio and television

Radio, and, more recently, television, have made inroads on press and magazine advertising allocations. Radio and television stations are controlled by the New Zealand Broadcasting Corporation which in 1962 took over from the New Zealand Broadcasting Service, a Government department.

On radio the corporation operates both commercial and non-commercial stations. The commercial radio network claims to reach 94.7 per cent of the homes in New Zealand. The full commercial network comprises 22 stations. In addition three stations – in Auckland, Wellington, and Christchurch – provide supplementary commercial coverage to the main commercial stations at a low cost.

A national radio campaign can be planned so that the commercial is broadcast on a provincial station which has an appeal similar to that of a small, local English newspaper.

Television has made remarkable strides since it began on a restricted basis in May 1959. An independent survey published in April 1967 showed a total of 529,888 licensed sets, giving an average national home penetration of 69.7 per cent. In the Auckland urban area, which is New Zealand's largest market, television penetration now exceeds 80 per cent.

Typical rates for the commercial radio network, covering 22 stations throughout the country, are £22 16s. for a five-second spot between 6 a.m. and 9 a.m. A 30-second spot in the same period over eight metropolitan stations would cost £30 13s.

In the 7 p.m. to 10 p.m. period a 90-second spot on the most popular television station would cost between £324 and £388 16s., depending on the position. A five-second spot between 6 p.m. and 7 p.m. or 10 p.m. and 11 p.m. on the television station with the fewest viewers would cost £10.

Public relations

There has been a marked increase in the growth of public relations in New Zealand in the last 10 years. Public relations consultants are available.

Market research

Market Research is a growing field in New Zealand and the services of market research companies are obtainable.

Miscellaneous

In addition to press, radio and television, ancillary aids to promotion are available, such as pamphlets, posters, screens advertising, hoardings, and point-of-sale material.

Advertising agencies in New Zealand operate on a commission allowed them by the media they use, but this commission is paid only to accredited agencies, and is not normally paid where the advertising is in respect of retail stores.

Restrictions are laid down by Government and by media to ensure that the public is not misled and that standards are maintained.

Associations

Further information can be obtained from:

The Secretary, Newspaper Proprietors' Association of New Zealand (Inc.), Box 1066, Wellington, New Zealand.

The Secretary, Association of New Zealand Advertising Agencies, Box 543, Wellington, New Zealand.

The Secretary, Public Relations Institute of New Zealand, Box 3285, Wellington, New Zealand.

Role of the British Trade Association of New Zealand

THE British Trade Association of New Zealand has an unbroken history of service to British exporters stretching back for 45 years; though most of that time it has been known as the United Kingdom Manufacturers' and New Zealand Representatives' Association.

The name of the Association was changed at the end of 1966 as a first step towards an internal reorganization designed to make provision for a wider spread of membership.

Its plans for the immediate future involve the establishment of trade sections to care for the specific interests of particular groups and the extension of its activities to provide a platform for British-based companies of all types trading in, or with, New Zealand and for companies providing any type of service to British trade.

The Association has always actively represented the British point of view at tariff inquiries held by the Tariff and Development Board and, before that Board was established in 1962, by the New Zealand Board of Trade. It will continue to perform this function on behalf of British industry in general and specific trade groups in particular, though the effectiveness of duties is often only an academic question so long as the import licensing system can be used as the protective device.

During the existence of the licensing system the Association has endeavoured to assist its members by the provision of information, and advice, on the way in which the system works. Additionally, it has spent many man-hours finding agents for British principals, or principals for New Zealand agents.

In addition to having nearly forty British trade associations in membership, the Association is the official representative of the Confederation of British Industry, and its Director also acts as Executive Secretary to the New Zealand British Trade Committee set up by the British National Export Council. It maintains the closest possible liaison with the British Trade Commissioners, and with all New Zealand associations and Government Departments in any way involved in imports or exports. Regular bulletins are sent to members in both Britain and New Zealand to keep them informed of developments in the various spheres in which they are likely to be interested.

The programme of trade missions organized by the National Export Council has assisted the Association to develop an even better contact with many British exporters, and its officers look forward to further fruitful visits from representatives of British companies, either in groups or as individuals. The Association and its officers are keen to do everything in their power to promote reciprocal trade with Britain, and offer their assistance to anyone with similar objectives.

Getting behind import licensing

AS THE PREVIOUS articles in this supplement will have shown, import licensing restrictions in New Zealand make it impracticable for manufacturers of certain products to export their goods direct. This does not, however, necessarily mean that the market is closed to them. Most industrial goods today include some components the subject of patents or registered designs. Where this is the case, companies can arrange for manufacture under licence in New Zealand. Even when there is no patent or registered design involved, British companies can sometimes exploit the market by licensing a local company to use their registered trademark.

A number of local companies manufacture a wide range of products under licence from overseas principals. They are frequently interested in broadening the range of their products, and the offices of the British High Commission maintain lists of such local companies and would be glad to put British manufacturers in touch with local firms who might be interested in making their products under licence.

Because of New Zealand's economic situation some detailed negotiations are frequently necessary before a manufacture-under-licence agreement can be completed, and principals are frequently well advised to visit New Zealand before making their final arrangements. In particular it is frequently necessary to discuss the proposed arrangements with the Department of Industries and Commerce and the Customs Department to ensure that import licences will be forthcoming for any machinery required and also for raw materials, or semi-manufactures which will be incorporated in the finished goods. It is also necessary to obtain the approval of the Reserve Bank to the financial arrangements.

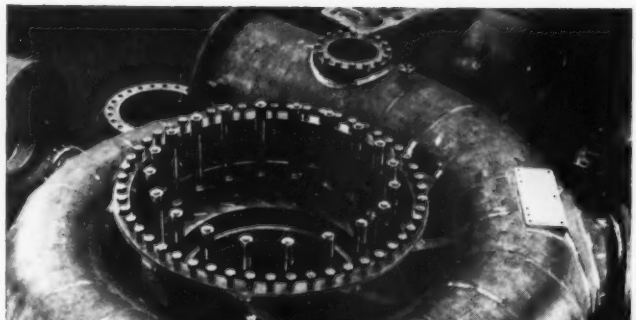
Although no hard and fast rule can be laid down, the Reserve Bank tends to limit the royalties which may be paid under such agreements to a maximum of 4 per cent of the ex-factory cost of the goods concerned. Such royalties are of course additional to payments for raw materials and semi-manufactures used in the goods. Any royalty payments made are subject to withholding tax of 7½ per cent.

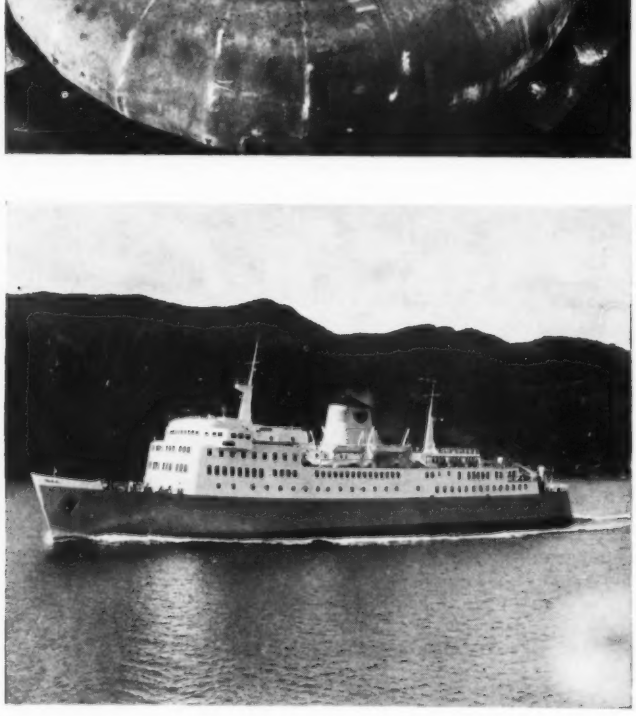
An ever-increasing number of British goods are being manufactured in New Zealand under licence. In a number of cases the goods are manufactured by companies entirely independent of the British principals. In others, the British manufacturer has a shareholding in the local manufacturing company. The consent of the New Zealand Treasury is required before British companies invest in New Zealand companies and, where the amount involved exceeds £25,000, the British company is, of course, subject to the voluntary restrain of investment in the independent sterling area countries, which was announced in the Chancellor's Budget speech in 1966 and which has been continued for another year.

The very wide range of British goods manufactured in New Zealand under licence emphasizes the opportunities which exist for this type of partnership between British and New Zealand industry, even in those sectors where direct trade is not at present restricted by import controls.

An aerial view of Auckland City, looking across ship-building yards and bulk oil installations from above the Harbour Bridge.

Export success stories





£1,000,000 biscuit factory

A £1,000,000 project has just been completed by the Cadbury-Fry-Hudson Group to provide New Zealand's North Island with the country's most up-to-date biscuit factory – a 120,000 square foot building on a 63-acre garden site at Papakura. The biscuit plant, which combines output – 10 tons per day – with versatility of application – was jointly designed and built by Baker Perkins Limited of Peterborough and Baker Perkins (NZ) Limited of Auckland, New Zealand.

The biscuit plant, which incorporates a high degree of automatic control through a central control panel, caters for the receipt of ingredients, mixing, sheeting, baking and packaging. Each unit in the plant is synchronized to allow for faster or slower plant production. The two baking lines can work quite independently. Between them they produce cream crackers, wine biscuits, malt, arrowroot, ginger nut, wholesome and Garibaldi fruit biscuits.

The main part of the factory, where the biscuit plants are installed is a single storey building at one side of which is a three storey block. The weighers for the pneumatic flour plant are in the top floor of this block; the mixers are on the second floor together with the dough feeding equipment which delivers the dough to the biscuit plants on the ground floor; office accommodation occupies the remainder of the building.

Manapouri hydro-electric scheme

The Harland Engineering Company Ltd. has been awarded a contract by the New Zealand Ministry of Works for the supply of four water turbines each rated at 142,000 b.h.p. under 515 feet head at 250 r.p.m. These will be installed in the Manapouri underground power station now under construction in South Island. The generating sets' capacity will total 400,000 kilowatts.

When the New Zealand Minister of Electricity announced in Wellington that the contract had been awarded to the company, he revealed that tenders had been received from 14 firms in seven countries. That submitted by Harland was the most satisfactory from a technical point of view. In addition, when the tendered prices were adjusted to take account of the various guaranteed operating efficiencies, terms of payment, and Customs duty payable depending on country of manufacture, the Harland tender was the lowest in comparative price and 'gave the best return for the money to be spent'.

Located at the western end of Lake Manapouri, the station will exploit the water resources of that lake in addition to those of Lake Te Anau, connected to Lake Manapouri by the River Waiau. Water discharged from the turbines will flow seawards through a 30-ft. diameter tunnel more than six miles long.

This turbine contract valued at over £600,000 is the largest to be

Top: M/T 'Waitangi' which, with her sister tug 'Herekino', was built for the Northland Harbour Board at Whangerei by Brooke Marine Ltd., Lowestoft. They are part of a fleet of tugs all built by Brooke Marine and equipped for ship handling, fire fighting and salvage duties.

Centre: A 18,600 kW vertical Francis-type turbine supplied by Boving & Co. Ltd. for their Waipon No. 2A power station. As well as the turbine, Boving are manufacturing and installing two 5 ft. 6 in. diameter rotary type turbine inlet valves. The second valve is to serve a projected second turbine in this station. The Waipon scheme comprises five power stations. All the turbine plant has been supplied by Boving's.

Bottom: The New Zealand Railway department's 4,524-ton rail ferry 'Aranui' shown in Picton Harbour. The 'Aranui' was built by Vickers Armstrong (Shipbuilding) Ltd. at their Walker, Newcastle-upon-Tyne, yard. The 'Aranui' is powered by six English Electric diesel electric generator sets giving a total 9,000 s.h.p. English Electric has already supplied the main propulsion units for the sister ship 'Aramoana' (see page 15).

Above: An Elliott 503 digital computer, as used by the New Zealand Department of Scientific and Industrial Research for meteorological analysis and highway design calculation.

Right: Biscuit forms entering the Mark II 'Turboradiant' oven built by Baker Perkins Ltd. for the Cadbury-Fry-Hudson factory at Papakura.

placed with the company, which in recent years has completed several major extensions at its Alloa works to permit expanded production of its wide range of Harland pumping plant, water turbines and rotating electrical machinery.

Elliott-Automation Ltd.

Elliott-Automation's exports to New Zealand in recent years have included instrumentations and control equipment of many different types, from computers to simple relay controllers.

Exports of heating and ventilating controls, automatic control valves, medical X-ray equipment, nucleonic instrumentation and coin-operated telephone call boxes for the New Zealand Post Office have been consistently good. A large order in 1965 was for an Elliott 503 computer which is used by the Department of Scientific and Industrial Research for meteorological analysis and highway design applications.

Round Oak Steel Works Ltd.

Progress in transport systems of the world begins with specialized skills and resources and Round Oak Steel Works Ltd. have supplied considerable quantities of soleplates (sometimes called bearing plates, chairplates, baseplates) to New Zealand Railways and to railway systems of many lands. Some 40 different patterns are available.

British deck machinery

Orders for British deck machinery worth £130,000 for two freighters ordered by the New Zealand Shipping Company from Mitsui Tamano shipyard in Japan have been secured by Dodwell and Company Limited, the London based international trading organization.

The machinery will be manufactured and supplied by Clarke Chapman and Co. Ltd. of Victoria Works, Gateshead-on-Tyne, and consists of windlass, mooring winches, cargo winches and capstan for each freighter. This order continued the long association Clarke Chapman has had with the New Zealand Shipping Company.

BICC power cables

British Insulated Callender's Cables Limited has been awarded an order by the Auckland Electric Power Board for the supply of 33kV oil-filled cables, 22kV cables, pilot cables and all associated accessories. The value of this order is some £60,000 and the power cables are to reinforce and expand Auckland's growing electricity network.

The company also has received a major order from the New Zealand Electricity Department for the supply of 760 miles of steel cored aluminium conductor to be used on the network reinforcement of New Zealand's expanding electricity supply industry.

And in connection with the Manapouri scheme BICC have orders in hand for the supply and supervision of installation of 220kV oil filled main cables, together with 11kV 3-core cables. Construction work on the scheme, which will have an eventual capacity of 700 MW, is now going on and the commissioning date is April 1969.

The waters of Lake Manapouri will be diverted through intakes and vertical penstocks to a power house some 800 ft. underground. Some 100 MW capacity generators are called for, of which four will be installed initially. The power connections entail laying four cable circuits initially in individual shafts between the 105 MVA capacity transformers to a switchyard directly adjacent to the outlets of the shafts.

Britain—New Zealand's principal market

BRITAIN *is* New Zealand's principal market. In 1966 48 per cent of New Zealand's total export income was derived from Britain which took 86 per cent of our butter, 78 per cent of our cheese, 92 per cent of our lamb and approximately one-quarter of our wool. It is not irrelevant to this article that New Zealand, on a per head basis, is easily Britain's best market outside the British Isles.

In almost any discussion of the relations between New Zealand and Britain, reference is usually made to our common heritage and our cultural links. These are of course important, and in looking at Britain as a market for New Zealand goods the great advantages of a common language, a legal system similar to our own, the same weights and measures system, use of the same standards, comparable customs regulations and procedures, are perhaps not valued to the extent they should be. Currency too for a long time has been a factor we have had in common and, although on July 10 this year New Zealand followed Australia and preceded Britain in changing over to decimal currency, this temporary difference will soon disappear.

Unquestionably, however, trade has developed to the extent it has between our two countries for direct economic reasons. Indeed New Zealand and the United Kingdom have up to now presented an almost classical example of the growth of trade between complementary economies. Britain with its dense population largely employed in the manufacturing industries, and its high standard of living, provides a natural and excellent market for New Zealand's high quality produce which has assisted Britain to maintain this high, yet relatively low cost, standard of living. Our produce is well received, not only because it is inexpensive, but because over the years it has built up a well-founded reputation of reliability based on quality. This constant exchange of New Zealand foodstuffs for British manufactured goods has provided the basis for a stable trading relationship which is reflected in a roughly balanced trade between Britain and New Zealand of about £430 million a year.

Over the years trade agreements between Britain and New Zealand, in combination with commonwealth tariff preferences which apply to goods from both countries, have helped to give confidence and security to traders. For any producer, either agricultural or industrial, the need to plan production ahead is essential, and New Zealand, largely dependent as it is on a narrow range of primary products and one very important market, needs more than most to be able to plan ahead, confident of its access to this main

Mr. H. C. Holden, Counsellor (Commercial), New Zealand High Commission, London (right) inspecting a Hamilton Colorado Jet Unit on display at the International Boat Show, 1967. With Mr. Holden are representatives of the United Kingdom and European agents for the manufacturers, C. W. F. Hamilton, Ltd., Christchurch, New Zealand.

The diversification of New Zealand's exports to the UK is illustrated below. From the same vessel have been unloaded frozen lamb, a traditional export, and motor mowers manufactured in New Zealand by Mason & Porter Ltd. Mr. M. J. Belgrave, Assistant New Zealand Trade Commissioner, is on the right, inspecting a mower with representatives of the importers, F. W. Stern Ltd.

By H. C. Holden,
New Zealand Senior Trade Commissioner and Counsellor (Commercial) London

market and of its ability to provide regular supplies. The latest trade agreement, signed last year, guaranteed access into Britain for New Zealand's primary products for a number of years, with no restriction on the quantities of beef, veal and lamb, mutton and edible offals, butter, milk powders and casein and chilled and frozen pork which may be shipped. It has been this type of stability which has encouraged New Zealand to develop its agriculture to the extent that it has, and enabled New Zealand to reach the forefront of agricultural efficiency in the world.

At this stage, however, there is considerable anxiety in New Zealand as a result of the decision of the British Government to seek membership of the European Economic Community and any current article on British/New Zealand trade must make reference to this important issue. Many words have been, and will be written on this issue, and perhaps in this context I should comment first that New Zealand accepts that the British decisions to seek membership is one which the British Government alone had to make. Having been made, New Zealand regards it as essential that adequate safeguards of a permanent nature be negotiated to protect New Zealand's vital interests. The reader will have gathered from my earlier comments that in many ways New Zealand's agriculture has been developed to provide food for people of the United Kingdom, and that indeed the present state of the New Zealand economy is to a large extent the result of mutual decisions taken over a period of many years by both the New Zealand and British Governments. If the current application for membership is successful and Britain becomes part of the Common Market then trade between our countries could be severely jeopardized unless special arrangements were made for it.

Unfortunately, despite very great efforts to diversify both products and markets, this issue remains crucial to New Zealand's continued economic wellbeing. Some diversification has nevertheless been achieved and sheep and cattle, though the mainstay of the economy, are certainly not the only export earners. Agriculture, as the main industry of New Zealand, has, with its own need to maximise resources in the most efficient manner possible, led to the development of a thriving industry in agricultural machinery. Much of this machinery is now being exported to many countries, including the United Kingdom, and this is but one example of the gradual change taking place in the pattern of exports from New Zealand. Over the last decade the development of industries based as far as possible upon domestic resources has led to some dramatic

Mr. J. R. Marshall (seated right), New Zealand Deputy Prime Minister and Minister of Commerce and Mr. J. L. Reading, United Kingdom Counsellor (Commercial), Wellington, signing the United Kingdom – New Zealand Trade Agreement, 1966, at Parliament Building, Wellington, on November 24, 1966.

increases in the export figures for manufactured goods. In 1965, for example, exports of £14.9 million were double those of three years earlier. Among products New Zealand is now exporting to the United Kingdom are such diverse lines as canned speciality foods, lawn mowers, aluminium shepherd's crooks, mountaineering equipment, jewellery, beer, textile place mats, sports clothing, and specially processed sheepskin rugs for geriatric purposes. Britain should be an attractive market to New Zealand manufacturers for, because of its size – over 50 million consumers – a very small segment of the market can represent a large export turnover for a New Zealand company. A small portion of the market can mean either a particular region or one chain of outlets or one distributor with limited coverage. In my time in London I have seen numerous examples of visiting New Zealand manufacturers actively and successfully seeking outlets for their products. The diversification of exports, the enlargement of existing markets in the United Kingdom or the opening up of new markets for these manufactured goods is a trend which my office is glad to see and encourage to the full not only for the direct benefits but also because the resultant stronger and wider trade between our countries brings mutual benefits between two areas with many shared interests but separated by 12,000 miles of land and sea.

It is well known that just over 100 years ago refrigeration made the spanning of this great distance possible for our bulk food products, meat, dairy produce, apples and pears. More recently the linking of New Zealand with Britain by fast jet transport has enabled us to exploit further the difference in our seasons and land fresh fruit from New Zealand in Britain in your off season. Strawberries are a well-known example, but less well known is the Chinese gooseberry, which despite its name is of New Zealand origin, about 1½ in. long, oval, brown and furry and quite delicious with whipped cream. Both of these arrive fresh in the British fruiterer's shop two days after being picked 12,000 miles away.

Encouraging prospects also exist for other fresh fruit while frozen and canned vegetables from New Zealand are currently being exported in increasing quantities to Britain. There is, too, an expansion in the production and export of our more exotic foods, limited on the United Kingdom market for a long time to our world famous Toheroa soup, to include such items as tinned oyster bisque, tamarillos, venison soup, lobster tail, jellied eel, fish sausage, and others. Incidentally in Britain the taste for venison is not limited to the open season but extends to the closed season when New Zealand venison is available. Here again the 'seasonal difference' plays its part.

The general promotion of New Zealand's meat and dairy products and apples and pears in the United Kingdom has, for many years, been covered adequately and efficiently by the respective Producer Boards, all of which have their main offices in London. Other products are generally dealt with, initially, at least, by the Senior Trade Commissioner's office in London. We regularly receive, as a normal part of our day to day work, letters from New Zealand manufacturers asking for our assistance in the marketing of New Zealand products in the United Kingdom. Even more important, however, we regularly receive visits from representatives of New Zealand manufacturers who have come to the United Kingdom to study the market in person and develop or increase sales of their products. It is our job to introduce them and their products to suitable potential buyers. To do this effectively we must keep ourselves informed about the British market, and trends and developments which may affect the suitability of various products. To this end we are endeavouring to visit all the major centres of population in Great Britain to see at first hand the market conditions which do exist, and to find out how New Zealand products are received in these areas. Staff of this office have already visited Birmingham, Manchester, Edinburgh and Glasgow this year, and have taken the opportunity of discussing any problems and difficulties which may exist with local retailers, wholesalers, and the representatives of the New Zealand Producer Boards with whom we work very closely. It is my hope that in this way we shall always be up-to-date with the information for the New Zealand producer, and the British buyer will be supplied with a 'tailor-made' product. Personal contact is essential for the establishment of a sound trading relationship and, despite the distance between our countries we do all we can to encourage New Zealand businessmen to undertake the long trip and 'see for themselves'.

New Zealand's trade is changing in type, in emphasis and in destination, but it is unlikely that Britain will ever cease to be the main destination, so vital is mutual trade to both countries. These changes have meant the return of a traditional emblem of New Zealand, the kiwi, but this time as a somewhat stylized bird, the new symbol adopted by the New Zealand Manufacturers' Federation and which now appears on the majority of our manufactured exports. You may or may not see the Chinese gooseberry or venison soup or New Zealand lawn mowers in your shops (we hope you will) but you're almost bound to see the kiwi.

Useful addresses

TARIFFS, MARKET INFORMATION, AGENTS

Board of Trade, Export Services Branch and Export Information Centre, Hillgate House, 35 Old Bailey, London, E.C.4. Tel. 01-248 5757. Regional Offices, see page 39.

British High Commission in New Zealand, Commercial Department, Government Life Insurance Building, Custom House Quay, PO Box 369, Wellington.

British High Commission, Auckland Office, Commercial Department, 9th Floor, Norwich Union Building, Queen Street, Private Bag, Auckland.

British High Commission, Christchurch Office, Commercial Department, PO Box 1762, 112 Hereford Street, Christchurch.

EXHIBITIONS AND FAIRS

Overseas Trade Fairs Directorate, Broadway Buildings, 54 Broadway, London, S.W.1. Tel. 01-222 7877.

EXPORT CREDIT INSURANCE

Exports Credits Guarantee Department, Head Office, 57-59 Gresham Street, London, E.C.2. Tel. 01-666 6699.

TARIFF PROBLEMS, PROMOTIONAL ACTIVITIES

British Trade Association of New Zealand, 506 Commercial Travellers' Building, Wellington, PO Box 2286.

COMMERCIAL INFORMATION

Association of British Chambers of Commerce, 68 Queen Street, London, E.C.4. Tel. 01-248 7211.

Confederation of British Industries, 21 Tothill Street, London, S.W.1. Tel. 01-930 6711.

National Association of British Manufacturers, 6 Holborn Viaduct, London, E.C.1. Tel. 01-248 6031.

British Export Houses Association, 69 Cannon Street, London, E.C.4. Tel. 01-248 4444.

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The Senior New Zealand Trade Commissioner and Trade and Customs Departments, New Zealand House, Haymarket, London.

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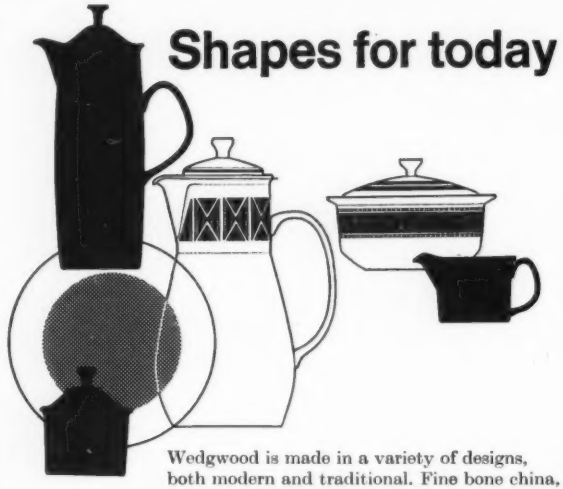

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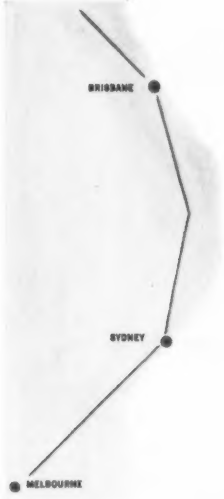
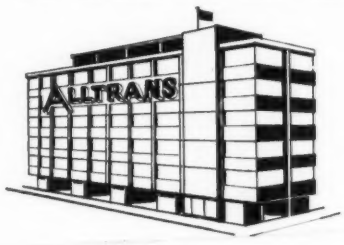


We have no office in the middle of the Tasman



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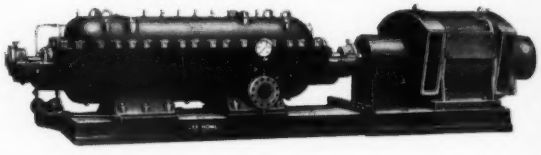

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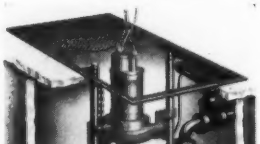

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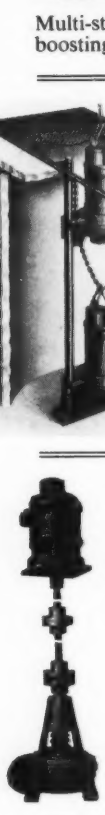

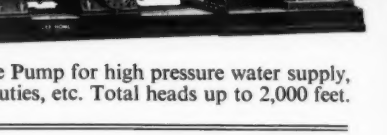

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Overseas Trade Fairs Directorate – 1 Victoria Street, London, S.W.1. Callers to Broadway Buildings, 54 Broadway, London, S.W.1. (01-222 7877; Telex 25955.)

Parliamentary Branch – 1 Victoria Street, London, S.W.1. (01-222 7877; Telex 25955.)

Patent Office and Industrial Property and Copyright Department – 25 Southampton Buildings, Chancery Lane, London, W.C.2. T.A.: 'Patoff, London, WC2'. (01-405 8721.) 51 Regent House, Cannon Street, Manchester, 4. (Blackfriars 3759.)

Registry of Business Names – Companies House, 55/71 City Road, London, E.C.1. (01-253 9393.)

Shipping Policy Division – 1 Victoria Street, London, S.W.1. (01-222 7877; Telex 25955.)

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Tariff Division – 1 Victoria Street, London, S.W.1. (01-222 7877; Telex 25955.)

Tariff Division – Duty Remission Branch, Sanctuary Buildings, 20 Great Smith Street, London, S.W.1. (01-222 7877.)

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For information and guidance on export matters or on any other aspect of the work of the Board of Trade – including, for example, advice about location, which is available to industrial concerns seeking to expand or to develop new projects – you are invited to get in touch in the first instance with the nearest Regional Office. If you would prefer it the Controller or a senior member of his staff will gladly arrange to meet you at your own address. The names of the Controllers and the addresses, Subscriber Dialling Codes and Telex Numbers of the Regional Offices of the Department, and of the Ministry of Commerce, Northern Ireland, are given below.

Northern Region
Cumberland, Durham, Northumberland, Westmorland and the North Riding of Yorkshire.
R. Wood, Wellbar House, Gallowgate, Newcastle-upon-Tyne, 1.
(Tel. Newcastle 27575. Code: ONE 2. 27575, TELEX 53178, Answer Back – BOT NTYNE).
Sub-Office for Cumberland and Westmorland;
J. Gardiner, Town Hall, Cockermouth, Cumberland. (Tel. Cockermouth 3498/9).

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The East and West Ridings of Yorkshire, the City of York; Lincolnshire. (Parts of Lindsey only.)
E. Atherton, City House, New Station Street, Leeds, 1. (Tel. Leeds 38232).
(Code: OLE 2. 38232. TELEX. 55472, Answer Back – ECONPLAN LDS).

North Western Region
Cheshire, the High Peak District of Derbyshire (viz., the boroughs of Buxton and Glossop; the urban districts of New Mills and Whaley Bridge; the rural district of Chapel-en-le-Frith), Lancashire.
R. J. Forbes, CBE, Sunley Building, Piccadilly Plaza, Manchester, 1.
(Tel. Manchester Central 2171. Code: 061. CEN 2171. TELEX. 66104, Answer Back – BOT MCHR).

Midland Region
Derbyshire, except the High Peak District (see under North Western Region), Herefordshire, Leicestershire, Parts of Lincolnshire (Holland and Kesteven and the County Borough of Lincoln), Northamptonshire, Nottinghamshire, Rutland, Shropshire, Staffordshire, Warwickshire and Worcestershire.
J. F. J. Jardine, Five Ways House, Islington Row, Birmingham, 15.
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London, S.W.1. (Tel. Tate 6271. TELEX 25991, Answer Back – BOTCROMWELL LDN).

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L. I. Macbeth, The Pithay, Bristol 1.
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The whole of Wales and Monmouthshire.
I. Gray, Government Buildings, Gabalfa, Cardiff.
(Tel. Cardiff 62151. Code: OCA 2. 62151. TELEX. 49267, Answer Back – BOT CARDIFF).
North Wales District Office: J. W. Lewis, Government Buildings, Dinerth Road, Colwyn Bay, Denbighshire. (Tel. Colwyn Bay 44261)

Scotland
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P. J. L. Homan, 314 St. Vincent Street, Glasgow, C.3
(Tel. Glasgow City 2855. Code: 041. CIT 2855. TELEX. 77583, Answer Back – BOT GLASGOW).
District Office: R. Forsyth, 29a High Street, Inverness.
(Tel. Inverness 30867. Code: OIN 3. 30867).

Northern Ireland
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The Head Office of ECGD is at 59-67 Gresham Street, P.O. Box 272, London, E.C.2. (Tel. Monarch 6699, Ext. 271.) The Department's local offices are as follows:

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The East and North Ridings of Yorkshire (excluding the area North of a line from Yarm to Staithes). The East and North of the West Riding of Yorkshire (including Goole, Harrogate, Otley, Pudsey, Ripon, Wakefield and Yeadon).
W. A. Luxton, Headrow House, 42 The Headrow, Leeds, 1. (Tel. Leeds 30082. Telex 55232.)

Liverpool
The Welsh counties of Anglesey, Caernarvon, Denbigh and Flint; Western parts of Lancashire and Cheshire (including Lancaster, Preston, Wigan and Warrington), and the Isle of Man.
J. K. Sedman, India Buildings, Water Street, Liverpool, 2. (Tel. Central 5756. Telex 62537.)

Manchester
The Eastern parts of Lancashire and Cheshire (excluding Lancaster, Preston, Wigan and Warrington), and parts of Derbyshire.
W. Ford, Cheshire House, 18-20 Booth Street, Manchester, 2. (Tel. Central 8861. Telex 66756.)

Newcastle-upon-Tyne
Counties of Northumberland, Durham, Westmorland and Cumberland; part of North Riding of Yorkshire, including Middlesbrough, Redcar and Thornaby-on-Tees.
H. Watson, District Bank Chambers, 36-38 Mosley Street, Newcastle-upon-Tyne, 1. (Tel. Newcastle 29838. Telex 53305.)

Nottingham
Counties of Leicester, Rutland and Northampton, and parts of the counties of Nottingham, Derby and Lincoln.
J. N. Smales, Equitable House, Old Market Square, Nottingham. (Tel. 46585. Telex 37566.)

Reading
Counties of Berks, Bucks, Hants and Oxford.
K. I. Humphrey, 18 The Forbury, Reading. (Tel. Reading 40577-8. Telex 54244.)

Sheffield
The Southern triangle of the West Riding of Yorkshire (including Barnsley), and parts of the counties of Nottingham, Derby and Lincoln.
G. L. A. Link, 8-12 Furnival Gate, Sheffield, 1. (Tel. Sheffield 29151. Telex 54244.)

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In the United States exporters can obtain assistance from the Department's resident representative for the United States and Canada.
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